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Legislature of Ontario Debates

Thursday, March 8 — Wednesday, March 28, 1956



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ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Thursday, March 8, 1956

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

THURSDAY, MARCH 8, 1956

2 O'CLOCK P.M.

And the House having met.

Prayers.

MR. SPEAKER Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

CLERK OF THE HOUSE: Mr. J. Yaremko, from the Standing Committee on Private Bills, presented the committee's seventh and final report, and moves its adoption.

Your committee begs to report the following Bills without amendment:

Bill No. 1, An Act respecting the city of Chatham.

Bill No. 5, An Act respecting the township of North York.

Bill No. 33, An Act respecting the town of Chelmsford (No. 1).

Your committee begs to report the following Bills with certain amendments:

Bill No. 17, An Act respecting the city of Stratford.

Bill No. 34, An Act respecting the town of Chelmsford (No. 2).

Your committee would recommend that the following Bills, having been withdrawn by the applicants, be not reported:

Bill No. 28, An Act to incorporate Parkland Improvement Foundation.

Bill No. 29, An Act to incorporate Gairdner Charitable Foundation.

Bill No. 31, An Act respecting the village of Richmond Hill.

Your committee would recommend that the fees, less the penalties and the actual cost of printing, be remitted on Bill No. 28, An Act to incorporate Parkland Improvement Foundation, Bill No. 29, An Act to incorporate Gairdner Charitable Foundation and on Bill No. 31, An Act respecting the village of Richmond Hill.

(signed) J. YAREMKO,
Chairman

Motion agreed to.

MR. SPEAKER: Motions.

Introduction of Bills.

Orders of the day.

HON. G. H. DUNBAR (Provincial Secretary): Mr. Speaker, before the Orders of the day, I beg leave to present to the House the following:

Annual Report of the Inspector of Legal Offices for the year ended December 31, 1955.

HON. M. PHILLIPS (Minister of Health): Mr. Speaker, before the Orders of the day, I would like to give to this House a statement on "rabies", the epidemic which is now prevalent in this province.

Rabies is an acute infection of the central nervous system, and it is caused by a virus.

The virus is transmitted in either dry or moist saliva from the infected animal, so that when the dog or other animal bites a child and breaks the skin, the virus travels along the nerve trunks to the central nervous system, that is, the spinal cord and the brain.

History of disease—It is a disease of great antiquity, described by the philosophers or scientists around 100 B.C. It was known first on this continent in 1786, when the disease was found in dogs and foxes in and around Boston. By 1900, it had been found in almost every part of the continent, and there is no country or continent in the world that has not been invaded by rabies except Australia.

Charles Lennox, fourth Duke of Richmond and Lennox, 1764 to 1819, died from the bite of a rabid fox. The Duke of Richmond, who was Governor-General of British North America in 1818, was the same Duke who, on June 15, the night before Quatre Bras, gave the ball referred to in Byron's well-known verses—he was a general at the Battle of Waterloo—in the suite of the Duke of Wellington. The story of his death near Richmond, Canada, demonstrates the terrible effects of the bite of an animal suffering from rabies and shows that this disease is no respecter of persons.

An interesting letter appeared in the *Gentlemen's Magazine*, 1819, as follows:

Quebec, Sept. 6. You will learn from the Quebec Papers the melancholy event of the death of his Grace the Duke of Richmond; but notwithstanding what you will observe in them, it is affirmed a case of hydrophobia was the cause of this sad catastrophe, and it is asserted to have originated from the bite of a fox on the 28th of June.

His Grace, having left this place about the 24th of June on an extensive tour through the Canadas, after his arrival at William Henry, 135 miles up the river, whilst walking about the village with his little dog Blucher, met a fox about the place, with which the dog appeared sociable,

and they entered into play together. His Grace seemed much pleased, and expressed something like a wish the fox should be purchased.

Accordingly, the hint was attended to by a servant belonging to the suite, who purchased the fox the same night. Next morning Sir C. Saxton, seeing the fox tied to a tent pitched for the accommodation of the servants, and apparently much irritated from his restrained situation under a scorching sun, desired that the animal might be removed somewhere into the shade. He was then fixed to a wicket-gate in front of the House. His Grace, on coming out in the morning, observing the fox, which he knew to be the same he had seen the day before, went up to him, saying, "Is this you, my little fellow?" and on offering to put out his hand to caress the fox, Sir Charles S. touched the Duke on the shoulder to prevent it, appraising his Grace at the same time of the irritation of the fox, and that he might bite.

"No, no," said his Grace, "the little fellow will not bite me!" and putting out his hand, the fox snapped and made 3 scratches on the back of his hand, which drew blood. His Grace, quickly drawing it back, said, "Indeed, my friend, you bite very hard."

The next morning his Grace found an uneasy sensation in his shoulder; but nothing further occurred till near returning from his tour; when at the new back settlement of Perth, on the 22d or 23d of August, after having returned from walking, his Grace desired his servant to make two glasses of wine and water for himself and Major Bowles. As soon as the Duke took the wine and water, he observed to the Major that he felt a strange sensation on drinking it. On the way from Perth towards the Ottawa River, some of the attendants observed his irritability, and extreme aversion to water on crossing the smallest streamlets in the woods; and they could scarcely get him along.

On approaching a small hut on the Ottawa River, rather than go into a

house close to the river, he turned short, and ran into a barn; at another time he ran from them into the woods, as if to shun the sight of water. His disorder was now rapidly increasing; but on his arrival within 6 miles this side of the new-named place Richmond, after suffering most excruciating torments, he died, at 8 o'clock on Saturday morning, the 28th of August.

The account which I have read was from one of the history books in our library.

The locality where this incident took place was at Richmond, Ontario, on the Jacques River, which is about 35 or 45 miles west of Ottawa. It is the place where the hon. Provincial Secretary (Mr. Dunbar) was born. As a matter of fact, he probably could tell you this story much better than I.

Mr. Speaker, it seems that it was about 56 or 57 days from the time when the fox bit the Duke of Richmond until he reached Richmond. The night before, he was at a banquet at what was called the "Masonic Hall" but that was changed to the Richmond Hall immediately after his death. It was at the banquet his symptoms became much more severe.

The hon. Provincial Secretary knows very well where His Grace, the Duke of Richmond, jumped out of the boat on the Jacques River and ran to a barn and there spent the last hours of his life. The Duke of Richmond died in 61 days from the date of exposure. I may say that the average length of time for this condition is approximately 60 days.

Incubation period—In animals the incubation period runs from 10 to 90 days, or has been known to be as long as 3 to 6 months, or even a year. In human beings, the average incubation period is about 60 days, but may be longer.

Symptoms in a dog or other animal, especially of the canine family—First, you get a change of disposition. Then, increasing restlessness, congestion of the

mucous membranes, especially of the eyes, nose, mouth and throat. Within 24 hours the disease becomes more and more acute, and the animal becomes more and more vicious and starts on a rampage of barking, howling, and biting at any moving object, whether another animal or human being.

The disease gets rapidly worse by the hour, and paralysis of the throat sets in preventing swallowing of saliva, and that is why the dog foams at the mouth. As a matter of fact, it is the inability to swallow, not fear of water, that accounts for the idea of hydrophobia. Death occurs in the animal in 2 to 10 days, but usually 3 to 5 days.

Symptoms in the human being—Usually the earliest subjective signs of the onset of the disease are mental depression and a feeling of apprehension.

At this time, or later, the victim may complain of headaches, sore throat, and/or radiating pain or tingling of the region of the site of exposure. If the site is in the hand, pain may involve the entire arm and shoulder. This has diagnostic importance, occurring in about 80 per cent. of the cases.

Another early manifestation is a general hyperthesia of the skin and sensitivity to drafts and noise. In other words, the skin is hypersensitive. There is apt to be a moderate rise in temperature as well as changes in the pupils of the eyes. Here we usually get dilation. This first stage of symptoms usually lasts from two to three days after which excitement sets in. There is increasing nervousness and sensitivity to physical stimuli. The patient cannot sit still and, if not restrained, moves about aimlessly. His speech is disconnected and excited, shifting from one topic to another. If put to bed, he tosses about constantly, searching vainly for a comfortable position.

The attitude of intense apprehension increases. The eyes are bright and rapidly shifting. Despite the fear and anxiety, there are no tears. Although there are periods of apparent delirium of increasing frequency, mental orientation is usually good. Viciousness, such

as a tendency to bite or fight attendants, is rarely manifested.

The most specific and constant symptom is difficulty in swallowing. This is not a simple paralysis of the muscles of the throat but is due to the reflex irritability of the nerve centre in the brain which controls swallowing, and one gets spasms of the larynx at the very thought of swallowing, not water alone, but any fluid or food. These spasms or convulsions are reflected to the respiratory centre causing choking, shortness of breath and, as a matter of fact, one may get convulsions of any muscle or group of muscles in the body.

This is followed by generalized tremors and convulsions, and death may occur suddenly during a convulsion or from heart or respiratory failure, and usually the patient dies within a period of from 3 to 5 days—a total of 5 to 8 days from onset of symptoms. May I say here that, once the disease has set in, there is no specific treatment known to cure it. Palliative or relief measures may relieve the patient such as giving him large doses of barbiturates; i.e., Phenobarb, Seconal, Nembutal, etc.

Local treatment—The bites or scratches should be cleaned thoroughly with strong soap solutions, prolonged for a period of from 10 to 15 minutes—or Zephirim, one per cent., which is basically a detergent. The old treatment of cauterizing the wound with nitric acid or, in fact, any other corrosive chemical, is now believed to be of no value whatsoever.

Animals involved—It is usually confined to the canine family, that is wolves, foxes, dogs, cats, but we also find it in raccoons and in spotted skunks in Nevada. Our striped skunks could certainly become involved but they are at the present time hibernating. In fact, the primary disease begins in those animals whose natural or normal instinct for self-protection is to bite.

The Federal Department of Agriculture has the responsibility of having its veterinarians vaccinate all the dogs and cats in every area where rabies has been reported. In fact, they started the

vaccination programme last fall in the Cochrane area, which was carried out by federal veterinary surgeons without charge. The other areas in which they have worked are Temiskaming, the Sault area, Sudbury district, the Lindsay-Omemee area, Renfrew County, chiefly the Pembroke area; then we come down to southwestern Ontario in the township of Beverley, county of Wentworth, where a man was bitten by a rabid dog. An area of 16 miles in diameter or 8 miles radius was marked off from where this man resided.

Then, I understand that they have an organized programme in York County. The vaccine is made at the Connaught Laboratories, and is put up in powder form and dissolved in 3 c.c.'s of a saline diluent, and the dog only requires one inoculation of 3 c.c.'s while a cat gets one-half that amount. This will give immunity in 2 to 3 weeks and lasts 2 to 3 years.

To give you the picture of the number of cases of rabies which have been reported to Ottawa:

From April 1, 1955 to January 31, 1956, there were 72 cases in all, made up of: 12 dogs, 3 cats, 14 cows and 43 foxes, and in the month of February, 1956, we had a total of 25 cases reported, made up of: 6 dogs, 2 cats, 1 sheep, 15 foxes, 1 wolf.

This government under The Department of Health have not shirked their responsibility and, up to the present time, we have made sure that our Connaught Laboratories have an adequate supply of Pasteur vaccine. This vaccine is put up in packages of 14 doses of 2 c.c.'s each, which is free to the people and costs this government \$8.00 per package—that is, enough to treat one patient.

We have sent out letters giving full information regarding rabies to our medical officers of health and directors of health units and, in order that no area in Ontario would have to wait more than a few hours to get one of these packages, we have sent out one or more packages to each of our 13 regional laboratories,

which are located at Fort William, Kenora, Kingston, Kirkland Lake, London, North Bay, Orillia, Ottawa, Peterborough, Sault Ste. Marie, Timmins, Windsor and Woodstock, and I know that you will agree with me that this covers our whole province.

On the other hand, if any physician or medical officer of health notifies us of a suspected case, we will despatch to him within an hour or two the necessary Pasteur serum.

Recommendations to the people of Ontario—As Minister of Health of this province, I would like to make the following recommendations to all the people of Ontario:

1. Let us not get what medical men call "rabiephobia" which is really a hysteria produced by hearing and reading about rabies; but let us try and keep it in its proper perspective, and I know that our friends, the members of the press, will aid us greatly in this matter.

2. Adults and children should keep away from all stray animals and no matter how friendly they may seem, do not pet them. Also, it would be wise not to pet their own domestic animals and I refer here chiefly to their dogs and cats.

3. Early diagnosis is very important and if any person should be bitten by a domestic or other animal, he should be immediately taken to his family physician and thereafter follow his guidance. But may I point out here that the disease is only transmitted by the saliva of the animal being injected into an open wound caused either at the time when the person is bitten, or an open wound caused by some other source. Even here are cases where the saliva from even a rabid animal may be inoculated beneath the skin and yet no symptoms develop. The virus from the saliva must reach a nerve trunk which follows up to the spinal cord or brain.

4. Keep your own domestic animals at home and if you are not in an area where the federal veterinarians are vaccinating the animals, you can have your

own veterinarian give your animal the anti-vaccine necessary for rabies.

5. Report immediately to your medical officer of health or your own family physician any suspected cases.

6. Do not destroy any suspected animal by shooting or cutting off its head, etc. In fact, the old idea that if you destroy the dog, the person who was bitten should not contract the disease is entirely erroneous, but the animal should be locked up by the medical officer of health or any veterinarian whom he designates, for a period of 14 days and, if the animal is infected, you can be assured that within 2 to 5 days he will show the cardinal signs of rabies, such as foaming at the mouth and, in all probability, will be dead within the 5-day period.

7. We must not forget in all these cases that tetanus anti-toxin should be given immediately if the skin is broken and should be given whether the animal is rabid or not.

8. Specific treatment with the Pasteur vaccine should be started just as soon as your medical officer of health has established that the animal was rabid because it takes 21 days from the first inoculation to establish immunity in the person. Most cases receive 14 daily inoculations subcutaneously in the region of the abdomen but where a person has been bitten badly about the face and neck, this is increased to 21 inoculations, two a day for the first 7 days and then one a day for the second 7 days.

I want to assure this House and the people of Ontario that your provincial government, through The Department of Health, will co-operate at all times with the federal government and the local authorities and do everything in its power to control and annihilate this present epidemic of rabies.

MR. H. C. NIXON (Brant): Mr. Speaker, may I be permitted to say one word in connection with this matter? The hon. Minister mentioned the township of Beverley, in the riding of Wentworth. This is very close to my own home, and the fox population is extraordinary dense there at the present time.

It is believed that many of them are infected, and may I suggest to the hon. Minister of Lands and Forests (Mr. Mapledoram) that he suspend the requirements for gun licences in that particular township, as the residents feel they could hunt down these foxes on their own land, and if the matter were given some publicity locally, and in other areas badly affected with rabies, it might assist in controlling the disease.

HON. C. E. MAPLEDORAM (Minister of Lands and Forests): Mr. Speaker, may I say to the hon. member for Brant, we are giving the matter consideration at the present time, and also to the question of extending the open season for foxes. As the hon. member probably knows, the season ended on February 29, but we are considering extending it just as quickly as possible.

HON. L. M. FROST (Prime Minister): Mr. Speaker, I wish to table certain correspondence between the Rt. hon. Prime Minister of Canada and myself relative to the matter of pollution.

MR. SPEAKER: We welcome to the Assembly this afternoon 5 different groups of citizens. First, a group of 12 students from the riding of Algoma-Manitoulin. These students are the most outstanding in that constituency, and one student from each high school in the area was selected.

We also welcome the students from the Allenby Public School, Toronto; the Regent School, Toronto; the Ritson Road School, Oshawa; and a group of prospective teachers from the Toronto Teachers' College.

Orders of the day.

The House, on Order, resolved itself into the Committee of Supply.

THE BUDGET

MR. R. MACAULAY (Riverdale): Mr. Speaker, I logically have a feeling of some misgivings in entering into the Budget debate, because in dealing with a matter as technical as the Budget, to be meek is easy, whereas, to be bold may

be dangerous, and the line of demarcation between courage and stupidity is often not readily discernible until some time after the discussion has taken place.

However, I do intend to seize, as boldly as I can, both the horns left in this Legislature by the hon. members, some of which have no relation to the Budget, and I would hasten, therefore, without taking more time, to refer to both of the speeches, firstly, to that by the hon. member for Waterloo North (Mr. Wintermeyer). I have come to know the hon. member well, from attending committee meetings with him, and I know he is a lawyer, and a man of considerable ability. He made an excellent speech, which was well received by the hon. members in this House. With some of his observations I agree, but some others I do not, and to those I will refer in due course.

In any event, to address one's self with confidence and to make an extended speech, criticizing the Budget, is a matter of the greatest magnitude, and I think the hon. member has acquitted himself with distinction.

However, I cannot say the same for the hon. member for York South, because his speech was more in the nature of a tirade than a discussion of the Budget. It was accompanied with the usual barrage of odious charges.

I would say at this stage that I honestly think the hon. member should leave out of his speeches some of his remarks about "covering up," and charging all kinds of immoral purposes to the hon. members of this House. If the hon. member for York South has any sincere desire to have the friendship of hon. members in this House, about which he spoke in one of his first speeches, he might very well refrain from some of the remarks he has recently made, and in any event not impute, to other persons, morals of a slippery nature.

One of the things I find most reprehensible was a statement he made on February 9, when he said if we had a prayer for Canada, it would be for a generation of public men who loved their country and were proud, brave,

honest and free. Those are mixed sentiments and hon. members could assume, from this, that these moral standards are not present in this House. I do not know, but I do not like it, and have no desire to accept it.

I was disappointed in the hon. member's speech for another reason, not simply because it was a futile and ineffective argument, but because he refuses to accept the challenge which I think the leader of the CCF Party in this House should accept, when a matter is raised in the House, to debate it, rather than using it as an opportunity to leap forth into a great many other subjects, some of which are not related in any way to the subject under discussion.

Lastly, the hon. member for York South refers to all hon. members except himself and the hon. Ministers of the government as being "back benchers." We may very well be "back benchers," but I think that means he is trying to present himself as a "big gun," and may I say to him what I said to an hon. member once before, when talking about "guns", just remember that "the bigger the gun, the bigger the bore."

Mr. Speaker, I would like to turn, if I may, to the Budget which was presented with tremendous conviction several days ago by the hon. Provincial Treasurer (Mr. Porter), which showed his faith in the development and future of this province. It was in the last pages of that Budget address where his philosophy and faith in this country shone through. I have certain observations to make in connection with this Budget, some of them in answer to the hon. member for Waterloo North, and some in reply to the hon. member for York South.

The first is with reference to the financial year end, which has been referred to by several hon. members in this House. Whether the hon. members in this House know it or not, the financial year end was set, at the time of Confederation, as December 31, and continued to be December 31 until 1909, when it was changed to October 31. That continued from 1909 until 1935,

when it was changed, during the Hepburn regime, to March 31. I have here the press clipping which heralded the change of the fiscal year end, and I also have the memorandum which was given to the hon. Minister which prompted this change. With great respect, I would suggest two things to the hon. Provincial Treasurer of this province; one, that the financial year end in this province be declared to be November 30 in each year; and, secondly, that this Legislature meet in a fall session to approve the Budget, and the Supplementary Estimates and grants of the year just ending, and the Estimates for the year about to commence.

My feeling, Mr. Speaker, is that government has become a full-time job, and I think a fall session to deal with the Budget would not be considered unreasonable. I think there is a great need in the municipalities, and certain institutions, to have some knowledge in advance of striking their own budgets, as to the amount of money which will be available to them, and granted to them by this Legislature. It cannot be said that there are many disadvantages to it.

I think hon. members of this House remember that there are announcements frequently made before the Budget is delivered, of changes which will be made for the current year, and which more properly should be found in the Budget. This last year, for instance, in December there was an announcement made regarding the increased rates for motor vehicle licences, and then, later on, in this House, the hon. Minister of Education (Mr. Dunlop) made an announcement in respect to the grants available to the boards of education.

There are not many disadvantages to a change, and I would respectfully suggest that the hon. Provincial Treasurer bear in mind, as I know he will, that it was changed in 1935, from October 31 to March 31, simply because it was difficult to estimate expenditures between the end of the fiscal year in October, and the time the House meets, and approves the Budget, in February

or March. However, that could be obviated if a fall session was held to deal with it. I would simply ask the hon. Provincial Treasurer if he would give consideration to this matter, read the memorandum which prompted the change, and consider it.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Speaker, does the hon. member not think there would be a disadvantage in accepting his suggestion as the fiscal year of most of the other provinces, also that of the federal government, ends on March 31? I think that was one of the reasons why the change to March 31 was made in the first instance, if my memory serves me correctly.

MR. MACAULAY: I think that was so. However, I would say to the hon. leader of the Opposition that our Budget does not depend on the beneficence of the federal government, or any other organization. We depend on financial formulae, and they are well set and determined in advance under the tax agreements, as they are made, to undertake payments, and I do not see any reason why our fiscal year needs to coincide with that of the federal government. I simply submit this to the hon. leader of the Opposition. He asked a fair question, and that is the answer I would give him. In any event, we do not depend, in any way, for the grants from the incomes of any other province.

Secondly, Mr. Speaker, I want to deal with the criticism of the hon. member for Waterloo North (Mr. Wintermeyer) in relation to the Estimates of this province. One of his complaints was that when hon. members sit in this House and address themselves to the Budget debate, we have no accurate knowledge of the expenditures and the revenues of the province for the coming year. The hon. member for Waterloo North said if we did know what the revenues and expenditures would be, and it was felt there would be a large surplus, there might be some agitation among many hon. members to augment old-age pensions, increase other grants,

or make other provisions from that surplus. That is the point the hon. member points out by stating that in 10 years there has been a total surplus of \$386 million, or an average of \$38 million a year. He also concluded his point by stating that in paying out this surplus of \$386 million, we had actually paid more out of the surplus than the average for any other single year.

I would divide my answer to the hon. member into 5 parts, all of which I think are good. First, I am sure he will agree that if there has been an error between the Estimates and the amount of revenue or income, we have erred on the right side. I would remind the hon. member of a headline in 1935 when the Prime Minister was Mr. Hepburn, confirming the deficit forecast in the Budget speech. He made reference to his own estimated deficit in those days, but even that did not turn out accurately.

In short, if the hon. member will admit it, if there is to be any error at all, it is better to err on the surplus side than on the deficit side, as the government did for so many years after 1934.

Secondly, I would say that estimating is not an easy matter. There are many things which enter into Estimates, which makes them difficult to handle. A heavy snowstorm or two can throw into a "cocked hat" many of the calculations regarding the gasoline tax, and the number of deaths—and surely no one is too happy about them—will react very definitely on the anticipated revenue from succession duties. Nor can you anticipate the consumption of liquor in the province. I would like to give the hon. members an interesting example. There was a small island in the St. Lawrence River, the population of which, in 1933, consumed \$9 million worth of alcohol, and in 1934, they consumed \$794 worth. The fact that there may be some coincidence between that increase and prohibition being called off in the United States, I do not suppose had anything to do with it. However, in any event, it does give some evidence that it is rather difficult to forecast consumption in that way.

It cannot be said that estimating the amount of revenue from our tax agreements is an easy matter, because they depend partly on the increase in population and partially on the development and increase in the gross national product. So I say that estimating is not an easy matter, and if any one who estimates makes an error, it is much better to err on the right side, namely, on the surplus side.

Even conceding the hon. member a position which I do not admit, that there is a surplus in the neighbourhood of \$40 million, it can only be said that is an error of 10 per cent. which is certainly not an extensive one, nor is it unusual.

Thirdly, I would say that estimating is nothing more than an "educated guess". That remark was made by the Rt. hon. Mackenzie King in the House, which I am sure the hon. member for Waterloo North will remember. Rt. hon. Mr. King said he felt estimating was nothing more than an educated guess, but added that he was glad he was better educated than his critic who raised the question.

Fourthly, I would say to the hon. member that I would dislike to have him think that errors in Estimates between income and expenditures are unusual or indigenous to this government. It occurred frequently from 1934 to 1943 and it occurred something like 29 times during the Liberal regime, from 1867 to 1906.

Lest the hon. member find consolation even in that, I would like to make reference to the difference between income and expenditures in the Estimates in relation to the federal Budget. In 1947, they differed by \$374 million; in 1948, by \$676 million; in 1949, by \$596 million; and in 1950, by \$131 million, and so it goes on. That covered the same period of time mentioned by the hon. member. They were out by \$2,300 million, half of which arose in this province.

I would also refer to the fact that last year, hon. Mr. Harris, federal Minister of Finance, estimated there would be

a deficit of \$160 million. I think some of the figures of the Canadian Tax Foundation, to which I am sure the hon. member referred, demonstrated it is highly possible hon. Mr. Harris will end the year with no deficit or, in any event, it is not likely it will exceed \$60 million.

Fifthly, I would say that one of the problems in connection with these matters is that a great deal of borrowing has had to take place, and what the hon. member has said is accurate in a way, but what he overlooks, and I ask him to remember, is that a great deal of the thinking in this House is predicated upon the fact that we actually did not have a surplus. We were in debt by nearly \$70 million, so to talk about spreading around a surplus which does not exist is a fallacious statement, and one thing which the hon. member's leader is an expert at doing, sucking and whistling in the same breath.

MR. OLIVER: That is the third time for that.

MR. MACAULAY: It is a good one, because his habits have not changed, Mr. Speaker. I would say to the hon. member for Waterloo North that when he speaks about the difference between Estimates and expenditures, he should remember there was no surplus whatever according to proper accounting principles. That is the first point. Secondly, our revenues last year paid our current expenses, and 60 per cent. of our capital expenses. In short, of all our capital expenditures only 40 per cent. of them were borrowed. No one can deny that—perhaps the hon. member will deny it, but I will come to that later on. In this discussion—as he closes off this question of misjudging, or finding a discrepancy in the Estimates, saying what he would do with the surplus, he said hon. members do not have an accurate estimate of our income and revenue, and, secondly, if we had known there was going to be a surplus, in a state of magnificent benevolence we would have distributed it around amongst other organizations, by way of additional grants.

Well, the fact is we had no surplus to distribute, so I fail to see how it could have been done. In any event, I would simply close that aspect of the matter by saying that when speaking about this distribution of money, let the hon. member remember that if we have any hope in this province of balancing our Budgets, or of carrying out our own duties, it will be sufficient if the money is spent upon the duties placed upon our shoulders by the privy council, without assuming any of the responsibilities of the federal government, in which they are "reneging".

I would simply say that we may reduce the disparity between Estimates and revenues in only two ways, or by two methods; one is by more pious hoping, or, in the alternative, a reduction of the gross national product—and I know the hon. member is not so disingenious as to want either of those. There have been differences between Estimates and revenue since the days of the Phoenixians, and there will be differences long after every hon. member in this House has quit this life.

The third point to which I want to turn, if I may, is the hon. member's reference to the hon. Provincial Treasurer tucking away money into funds, for one of two purposes, either hiding something in the fund, or, the alternative of putting it aside until it is needed.

Therefore, I say to the hon. member for Waterloo North: "How can it be said that we are 'tucking money away in a fund in cash, or in any other form,' if, in fact, the province is spending more in a year than it is taking in?" Clearly, in fact, there is no money in any of these funds; it is simply a question of accounting practices and nothing else, and the hon. member should be honest enough to admit it.

When he casts aspersions in relation to "tucking money into funds" which are non-budgetary, or which are non-holding, let him explain how the federal government took \$72 million out of the defence equipment replacement account. No one voted on it, and it was not in the Budget. That was a cash item.

I would ask him, therefore, to remember the old maxim, that "those who live in glass houses should dress in the dark."

Mr. Speaker, the fourth matter to which the hon. member made reference was the question of gross, net and per capita debt. He was on very solid ground when he said that the gross debt was of lesser significance than the net debt, for this reason, that there is over \$300 million, which one might say, is self-liquidating. The important thing, in relation to the gross or net debt, is the net debt.

However, after that act of commission, he committed an act of omission. The more important is the per capita debt, which is the debt which must be shared by every person in the province. The hon. member wags his head as an indication that he does not agree with that. The importance of it is, however, on what basis its payment is spread.

Before I refer to the debt as such, I would like to make reference to the hon. member's statement of the large sum of money which is being paid out each year to cover interest charges. The hon. member referred to an amount of approximately \$28 million. Now, \$28 million interest represents approximately 7 per cent. of the revenue and 4 per cent. of the debt. I would say that compares rather favourably with some of the interest payments which have been made in years gone by. The hon. member will remember that there was in the 1930's a debt which equalled 43 per cent. of our Budget, on which we had to pay interest. When referring to the "Sunshine Budget" of the hon. Mr. Hepburn in 1937, he took pride in saying, "This year we are taking only 26 cents out of every dollar to service the debt."

He had reason to be proud, as there was a considerable reduction. No one is anxious to make a payment of interest on debt, but those payments must be met if we are to maintain credit. I wish to close that point by saying that 7 per cent. interest on the total income is 7 cents out of every dollar,

which goes to pay the interest on our debt. It compares very favourably indeed with the history of this province's debt position.

If the debt has been rising sharply, the rise has been inevitable.

The real crux of the matter is that when the Conservative government came into power in 1943, supported by the Liberals, and secured, in 1945, a large majority due to tactical blunders by the CCF and Liberals combined—from which both are still suffering—this province had suffered a triple misery. It had gone through a world depression, a world war, and had been subjected to almost 10 years of bad Liberal government.

During the period the Liberal government was in power, it is true it had lower revenue, and did its best to reduce the debt and generally was at least partially successful. However, it was an easy matter to reduce the debt, because they did not do anything. Actually, I am wrong in simply saying they “did not do anything”; they did not do anything constructive, other than reduce the debt.

Mr. Speaker, in relation to that point, it is not exactly correct to say that that is the only thing they did. They increased the personal income tax, raised corporation taxes and nearly killed the Hydro scheme. They almost made it impossible for any future industrial expansion of this province to take place, and when the Conservative government came into power in 1943, the population was at a standstill. We had a poor credit rating; there was an imminent power shortage, the roads were full of pot-holes, and very little money had been spent on capital expenditures.

Not only that, but when the Conservatives came into power, it was at a time when the Liberal government was being handed from one leader to another, gingerly, like a “stink bomb.” In those days, there were few dollars in revenue, increasing population, recurring deficits, and a great need for industrial expansion.

This government set out to create an atmosphere in which industry could thrive and prosper, and it has succeeded.

Although it is true that revenues have been less than our expenditures, the hon. member for Waterloo North knows very well the reason for that. The debt has increased since 1947, and very precipitately since 1950, because we had to create the services, the need for such services and an atmosphere in which industry could develop. There was no alternative but to increase the debt. The hon. member knows that, and I am sure he believes it, and would not have done otherwise himself. But, lest he stray too far from his own political Bible, I would like to refer again to the Sunshine Budget of the hon. Mr. Hepburn in 1937, in which he said:

I must say at the outset I do not find myself in agreement with some of the arguments of my friends opposite who deem it an economic crime to add to the debt by allowing capital expenditure to exceed capital receipts.

Mr. Hepburn apparently thought it no crime then, and I am sure the hon. member does not think it any crime now.

The hon. member for Waterloo North did his duty well. He properly pointed to the tremendous increase in our deficits, a matter which worries many people, I am sure. But what alternative was there? The question again is that revenues equalled the current expenses and 60 per cent. of the capital outlay, and is it not proper, surely, that we should contribute today toward all the enduring capital expenditures which will be enjoyed for generations to come?

I said before I felt the hon. member had missed the real test in this matter, that is, the net per capita debt. In 1940 the net per capita debt was \$135. Today it is \$128, which is \$7 less. Surely, with a smaller net per capita debt, no hon. member is going to rise here and say we are not better off than we were in 1940.

In relation to the net per capita debt of the province—the municipal debt—in 1930 it was \$135; today, 25 years

later, it is \$140, an increase of \$5. Is any hon. member going to rise and say we are not better off today than we were 25 years ago, for the \$5 increase in municipal net per capita debt?

I would inform the hon. member for Waterloo North that I am surely worried about the amount of debt of this province, and one of the reasons I am worried is because apparently he, and others, insist on thinking we have a surplus, that we have money to spare, money left over, whereas in fact we have not.

Consequently, I am troubled in my own heart, because I believe in what is called generally a "contracyclical Budget," which means that for periods of time, taxes should be maintained at a high level and credits should be high, so that when conditions are less favourable, the government can reduce taxes and add to the "fly-wheel" and stimulate a recovery of industry.

This point is inevitable. We have had rising deficits, over-all deficits, and will have them for some years to come. That is essential. Otherwise we cannot have—and no one can hope to have—hospital plans, hospitals, roads, power, water and so on. We simply have to pay, in one way or another, for services obtained.

Mr. Speaker, the hon. member for Waterloo North, in his very able address, was really quite "cute." He criticized the amount of the debt, he spoke about a surplus that does not exist, and apparently approves the huge outlays of capital expenditure which have to be made in the future. Yet, like his leader last summer, there is no suggestion as to where the money is to be found.

Money can come from only one of two places, either from taxation or by borrowing. It must come from one or the other. If the hon. member is really sincere when he jibes the hon. Prime Minister about his 1943 statement, in which he referred to debt reduction, and if he is really serious in advocating what the hon. Prime Minister advocated in those days, then the hon. member today believes in debt reduction.

If he believes in that today, there are only 3 ways to do it, and let hon. members face it. I will come back to these 3 in a few moments. One is to cut expenses, the second is to lessen borrowings, and the third is to increase the taxes.

If the hon. member has any other means of raising money, I am sure every economist in the land and the hon. Provincial Treasurer will be happy to hear from him.

In relation to the first one, what does the hon. member say about cutting expenses? I did not hear a word about cutting expenses; it was all a plea for an increase, that we should augment pensions—which is the responsibility of the federal government—that we should add a little here and there. He was far from suggesting that there was any waste. Therefore, I am confident that at least he has cut out the first way.

I would like to reply to one point he raised in relation to that matter. When he was speaking about not borrowing more, but spending more, he spoke about giving equal unconditional grants to municipalities. I think that is a mistake, for many reasons. It is a topic too large to go into at this time. However, I feel it would be quite improper. I am not satisfied that the proper system is not to return to that inaugurated by the hon. members opposite during the 1930's, namely, basing their grants on the assessment roll in a municipality.

The hon. member did not say anything about cutting expenses, but what does he say about borrowing? I do not think he advocates not borrowing, because he is realistic enough to know that if you are to have the capital development we require in the future, there must be borrowing. I am sure he is not against it.

What does the hon. member say about the third way, the raising of taxes? He did not mention it, he did not suggest putting on a single additional tax, except perhaps one—and with which I agree with him—getting a better deal in Ottawa in relation to the tax rental agreements and, of course, that is essential.

The hon. member criticizes the debt but he will not advocate borrowing, nor the raising of taxes, nor the spending of any more money, so I can only say to him that he is rather "cute" when he says he will not discuss the question of borrowing. He will not raise taxes and yet he wants to pay more. If he will not raise taxes and if he will not borrow money, then he has not a hope of completing one of the points, much less the 25 points, of his leader's programme, which last year Prof. Marcus Long described as a policy which "grew up from the grass roots." All I can say is that there was a great deal more grass than roots.

Mr. Speaker, in relation to the speech of the hon. member for York South. The few comments he directed towards the Budget consisted of identifying himself with the salacious thinkers of the "surplus" group. He talked about taking out of the surplus the grants in relation to human betterment. He criticized the provincial government for its grants in the field of education. He felt that these were two great shortcomings of the province. I am sure he feels that there are many more, but those were the two, in regard to which he took "time off" from his railing against the hon. Minister of Reform Institutions (Mr. Foote) to discuss the Budget. Where did he say the money would come from? He said there should be an increase in the revenues from the natural resources, mineral and forest, and, secondly, that we should do something about tacking higher taxes on wealthy corporations. I think that is a fair summary of the few minutes of his speech devoted to these important points. In any event, those were the points which remain in my mind.

MR. MacDONALD: The hon. member missed two or three points.

MR. MACAULAY: I must say I, myself, feel it desirable to have The Department of Mines and The Department of Lands and Forests deal with such large resources which abound in this province. I have a feeling that we

should have a higher revenue from those two resources. At the same time, I would like the hon. member to realize this—and I do not want him, when he or his candidate are quoting me, at some time, to cut off the sentence in the middle, and put a period where a comma should be, as they are doing now.

Nevertheless, there is one important point in connection with mineral and forest resources which must be remembered. The government gets back a great deal from these resources, which makes possible the corporate, provincial, and many other taxes, as well as providing income and opportunities directly or indirectly for so many of our people in this province.

Secondly, in relation to his claim that we should do something about "stepping up" the taxes from the wealthier corporations, I would remind him that we have rented the corporate field to the federal government and have no further control over it.

I would also say to the hon. member—and he likely will take objection to it—that I do not intend to deal with the hon. member's speech, because I think I can answer him by dealing with the Opposition critic's remarks, because, whether he knows it or not, I understand there is no difference between the policies of the Liberals and those of the CCF.

I have, in any event, a clipping from the *Toronto Telegram* which stated that Mr. Oliver said "only the government-ownership question divides us from the CCF."

MR. OLIVER: Where did the hon. member get that?

MR. MACAULAY: From the *Evening Telegram* last April, where the hon. leader of the Opposition said, "only the government-ownership question divides us."

MR. OLIVER: I can say that is completely erroneous, wherever it came from. There is a list of things which divide us as long as the hon. member's arm.

MR. MACAULAY: I would hope, as a matter of fact, that the list of policies which divide the hon. leader of the Opposition and the hon. member for York South and his Party is much longer than my arm but, in any event, I would say if the only thing which separates them is government-ownership, they can still get into bed together, and use it as a "bundling board."

The hon. member for Waterloo North made reference to the hon. Prime Minister's statements of 1943. I know the hon. member; we have sat together at committee meetings, and discussed many matters. I know him to be very fair. I know he does not believe that the circumstances of today—in this year 1956—are analogous to the situation which existed in 1943, through the statements made by the then Provincial Treasurer, any more than situations today are similar to those of the days of Mr. Hepburn in 1937, when I gibe a little at him about that Budget.

It is not possible today, in 1956, to consider a planned net reduction. In any event it is my own view it is more apt to say we cannot contemplate a one-fiftieth reduction of our funded debt each year, and I am convinced that what we have to do is watch with the greatest care the increase in the debt and keep it down to the lowest possible point, consistent with the desirable development of this province.

Mr. Speaker, I am not going to speak too long on this matter, and I will not bore the House with a great number of figures. I cannot, without doing so, of course cover all the points which were raised yesterday by the hon. member. I would like to say to the hon. member I feel there is a great deal in what he said in connection with appraising the House regarding the economy of this province, and making available to the people of this great province its economic potential.

Also I do not feel that a select committee is the proper answer, but I believe there should be some greater use made of The Department of Economics.

Before closing, there are two other topics about which I wish to speak: one

is in connection with Hydro, and the other in connection with tax agreements. I am inclined to agree that the financial relationship of The Hydro-Electric Power Commission should be separated from that of the province in relation to our Budget, and I have the hope that Hydro will have the courage, in the future, to float some kind of an issue as a "trial balloon," to see whether it has recovered from the fatal blow struck in 1935, by the hon. members opposite, when by prerogative of the Crown they simply, out of the air, cancelled contracts which damaged the credit of Hydro almost until this time, and set back the economic recovery of this province.

I was going to deal for a few moments with some of the quotations which I have taken from some of the newspaper items of that time, but I do not think I will do so.

There are one or two other matters in connection with Hydro, however, which I do want to mention. What I want to say is simply that if the hon. leader of the Opposition and the hon. member for Waterloo North wish the Hydro financial affairs to be segregated from those of the province, the hon. members opposite would do well to try to protect the reputation of Hydro, rather than attacking it as they did so viciously during the last provincial election campaign.

The last point I wish to make is in connection with the provincial tax agreements. I know the hon. Prime Minister is leaving for Ottawa in a very few minutes so I will hurry along with this, although my message to him may mean nothing, but I would like to have the opportunity of expressing myself on the subject.

I suppose we all realize that the federal government has the power to tax directly as well as indirectly, whereas this government only has the power to tax directly. The Sirois Report states when we, as provinces, gave up to the federal government the revenue from income from corporate and succession duties, the federal government, at the same time, should give us the revenues

which are particularly and typically provincial, but Ottawa has not done that. Ottawa has tried to grab with one hand, and hold on with the other. The forecast in the Budget for the coming year was that there will be revenues of \$4,700 million and disbursements of \$4,400 million, leaving a surplus of approximately \$250 million.

What I would like the hon. members of this House to remember is that is a gross, over-all surplus. They take in all their revenue and make all their expenditures, including capital outlay, and that is what hon. members must remember when you look at Quebec's position, that Quebec also shows a gross surplus, it is not a surplus current account the way it is, I believe, in the province of Ontario.

So, Mr. Speaker, in relation to these tax agreements, while the provincial government, the municipal governments, and the municipal debts will be increasing in future years, tax revenues are less; in any event, they have less resilience, and are increasing at a far slower rate than those of the federal government, whose debts are shrinking, except for national defence.

British Columbia and Ontario borrowed heavily to make possible the prosperity which exists in those provinces, and yet the borrowings of British Columbia and Ontario are completely ignored when it comes to dealing with equalization grants between the provinces, as well as the tax agreements offered to them. Ontario has a per capita debt of \$128, and British Columbia \$164, whereas Quebec has \$85 and Alberta \$83. We have spent, beyond current revenues, \$128 per person to bring prosperity into this province, and we get no help with nor thanks for creating that debt, but we have to pay it.

We are left to pay for it. The people in provinces other than Ontario will get an equalization grant, but not the province of Ontario. Their incomes, the over-all tax yield, will be brought up to the per capita of the province of Ontario, even though they did not have

to create a debt to do so. I would only conclude by saying it does not pay to run a province well, any more, and I believe that is simply because the Liberals never accomplished it themselves.

Every province will obtain equalization payments except the province of Ontario. A standard rate will be struck in relation to corporate income tax, actually it is on corporate profit taxes, income taxes, and succession duties, and there will be a formula promulgated, and the averages of British Columbia and Ontario will be weighed, and every other province will receive an equalization grant.

That is basically unfair, for several reasons:

1. These equalization grants completely ignore the debt which has been incurred and to which I have made reference.

2. The average which has been struck between Ontario and British Columbia is not a proper nor fair average. A proper way would be to strike an average amongst the 4 or 5 provinces which have the largest tax yield from these fields.

3. No consideration is given to the cost of administering these things in these provinces.

4. No consideration has been given to income which comes into provinces from other than tax yields. For example, in Alberta, where immense revenues are obtained from oil wells.

5. No consideration has been given to the constitutional grants which were provided under The British North America Act.

6. The equalization grants completely ignore the tax effort of each province.

I know the hon. member for Waterloo North (Mr. Wintermeyer) strongly believes, as do I, that it is important for our hon. Prime Minister (Mr. Frost) and hon. Provincial Treasurer (Mr. Porter), who have now left to proceed to Ottawa to negotiate on our part a most important series of contracts, contracts not simply in connection with

health, but also welfare, equalization grants, and the tax agreements.

I was going to refer at greater length to tax agreements, but I will simply conclude by saying the tax agreements which have been offered to the province of Ontario, so far, are lamentably short of what is needed. They do not give any consideration to what this province needs to create the wealth as the "bread basket" of the country. What they are trying to do, instead of raising everybody up, is to pull everybody down into the same mire.

I had the hope that the hon. Prime Minister, when going to Ottawa today to discuss the tax agreements, would appreciate that we may be well better off, as the hon. member for Waterloo North has said, not to enter into a tax agreement. However there is a great problem even there. If we enter into a tax agreement the amounts are 9 per cent., 10 per cent., and 50 per cent. in relation to certain ratios, but if we do not enter into it, the amount of abatement which they have left for manoeuvrability in tax rates is grossly inadequate.

Although entering into a tax agreement will have the added advantage of getting over the multiplicity and chaos which existed in the '30's, I have the hope that this province will realize we may be better not to sign a tax agreement than to sign it, and certainly the tax agreement which has been offered to date is lamentably short of what we need.

I only say, therefore, that I utter a fervent prayer in regard to these negotiations—because they are vital to the wealth and prosperity of our people, and our nation as a whole—that our hon. Prime Minister and hon. Provincial Treasurer will be able to, not only preserve our present, but fight for our future.

MR. R. CONNELL (Hamilton-Wentworth): Mr. Speaker, it is a privilege of mine to again take part in the Budget debate today. I would like to congratulate the speakers who have

already taken part in this, especially the last speaker. He must have given a great amount of time and study to this particular debate. I assure you, Mr. Speaker, that we are coming down to a very ordinary level, when I take the floor, and I really do feel rather humble following such eloquent speakers who have preceded me.

I did not have an opportunity, during the debate on the motion in reply to the Speech from the Throne, to congratulate you, Mr. Speaker, upon your election as Speaker of the House. I do not think this House could have made a better choice, and I do wish you success in that position. A couple of weeks ago I happened to be in a theatre in Hamilton, and I noticed Mr. Speaker has other capabilities than simply being a member of Parliament and Mr. Speaker. I was at the theatre with my two young children, and was getting rather sleepy at the time, and happened to wake up at the opportune moment, when I saw a picture of Mr. Speaker on the screen. I do hope any movie contracts which may be offered to you, Mr. Speaker, will leave you time to maintain your position as member of Parliament.

I had proposed to speak along rural lines today. It is a line I have not usually taken in this House. But before I mention that, I would like to say I am sorry the hon. leader of the Opposition (Mr. Oliver) has left the House, as he made a remark rather early in the session about the Hamilton hon. members, when one of them had the courage to say something to him, and it sounded like he said he was rather pleased he was going to hear something from a Hamilton member.

We have since heard from several of the Hamilton hon. members in rather an emphatic way, and it is their opinion that the hon. leader of the Opposition seems to have a rather strange tendency this year to let someone else do his speaking for him. I see the leader of the CCF Party is not in his place either—

HON. MR. DUNBAR: I think they are all out. They have all resigned.

MR. CONNELL: I would not attempt to give such an hon. member any advice, but coming from a riding such as my own, I would suggest if he is trying to become well known, he has accomplished his purpose, but, as far as the people of my riding are concerned, their opinion of the CCF is not improving.

Before I go ahead with this I would like to mention the hon. Attorney-General's drive on traffic. I have had occasion to notice a change on my daily trips to Toronto. In previous years, there have been very few cruisers on the road, and you could almost set your own pace, as far as speed was concerned, but this year it is not unusual to see 5 or 6 cruisers on the way down here. The traffic has slowed down at least 12 or 15 miles an hour, I would say, and traffic conditions are much better all around.

I would like also to mention, as far as this Budget is concerned, in relation to highways in the Hamilton area, there has been a highway proposed for some two or three years, to bypass Aldershot and extend through a portion of Hamilton to join up No. 2 highway at Ancaster. This year, there is no provision in the Budget for such a highway, and I am not surprised, but I would like to get it on record that the real reason there is no money appropriated for the highway this year is that our own officials of the city of Hamilton have not seen fit to make plans to handle the traffic from that new road. For that reason, The Department of Highways did not feel they should pour all that extra traffic onto some of the narrow bridges and entrances we have to the northwestern part of the city.

A sum of \$100,000 in the Hamilton area this year, I am glad to see again, has been set aside for the Royal Botanical Gardens. The gardens have come into their own in the last few years, and it is the assistance of this government that has made it possible. They are setting aside the major portion of this \$100,000 this year, to build a headquarters for the gardens.

Another point of interest in my riding is the new Teachers' College, the con-

struction of which is proceeding rapidly, and will have the cornerstone laid this spring. That is going to be quite a help to the city of Hamilton in relieving the situation as it is now, where prospective teachers are scattered around in several different buildings receiving their education.

The grading and re-paving of highway No. 5 is proceeding rapidly, and will be finished this summer. Contractors have come in for a great deal of criticism during the past few years, and I would like to give them one word of praise, in that they have done their best to keep traffic moving. No. 5 highway, as you possibly know, is a very heavily-travelled road, and they have done very well during the past few years to keep traffic moving while the paving process was going on.

I would like to mention something about our county and township roads because we, in Wentworth County, feel that we have very good roads for such a heavily-travelled area. This is no doubt due to the provincial government's supplying 50 per cent. of the upkeep, and also 80 per cent. for culverts, as they do in all parts of Ontario. I would like to mention that in such a heavily-travelled area as Wentworth County, the government continues to support the county council with its appropriations, and I hope to see that they are either maintained, or possibly raised a little this year.

Another thing which will be of help is the raising of the educational grant from \$4 to \$6. I think that is putting money where it will do the most good.

In connection with the water resources; we all have in our minds what an important thing this is going to be for the province, but I wonder about the rural people, as to just what advantage they are going to receive from it. I am very hopeful that it might help raise the water table from its present level. Even if the farmers, at the present, do not receive direct benefit from it, it will help in years to come.

In connection with sewage disposal; I feel that Hamilton should be one of

the first cities to take advantage of this. Hamilton has a very definite sewage problem, and I do hope we will be able to take advantage of the way it is planned to set it up.

In this session, Mr. Speaker, there has been very little said for the rural people. If I were to say there is a depression in the farm economy, I do not believe I would raise many eyebrows in the House, or anywhere else, but actually there is a depression amongst a very large percentage of farmers. Today, many of the farmers are working for practically nothing. For the past two years, it will be recalled, there were unemployed marching here, and asking for consideration. Today many of these farmers are in the same position of really being unemployed, yet they have actually been working.

I would not say any of them are starving to death, I know they are not, and there are actually many farmers who are well off, but when you go down the road and look at a certain percentage of farmers, especially the ones who are in the process of getting started, these last few years, and have invested large amounts of money in farms, it can be realized they are having a rather difficult time.

I feel this situation goes back to the foot and mouth disease in 1951. Possibly it might have had a decline anyway, but I believe, at that time, it hastened the decline in our farm prosperity.

There have been, during the past 20 years, quite definite trends in the farming industry. There were our depression years which we all remember, and then there was the period from 1939 to 1945, during the war years, when there was a shortage of labour, and at that time we were given every encouragement to produce all we could. At that time, there was no new equipment to be had; the work was done largely with the old equipment we had on hand, and with what labour we could pick up. One point which bothered me at that time was the fact that the people in the city, in order to keep the cost of living down, were subsidized to drink milk. Just why milk was subsidized, I will never know,

but at that time people were paid, I believe 2 cents a quart to drink milk.

Then we had the period from 1946 to 1951 when labour was still scarce as far as the farms were concerned, and we were still encouraged to produce all we could. At this time, equipment became more easily available, and there were very revolutionary changes in farming equipment, and farming ways, due to the fact that we were short of labour, and many people during these years invested very heavily in farm machinery.

Since 1952, we have found labour still scarce, but equipment is available no end, but during this period we are coming to the point where we have not the money to replace that very expensive farm equipment.

This is also evidenced by the fact that many of our farm machinery dealers are closing down these days, because they are not able to make a decent living. Our markets are tightening up very substantially, and I might say that of the equipment we are attempting to buy, much of it is being built by labour which is being paid from \$1.50 to \$2 an hour, whereas the people on the farms are trying to buy that equipment on an hourly wage of from 25 cents to 50 cents, and I do feel we are in a very poor position in that respect.

We have been encouraged all the way along the line to produce more, and I think it is important that we find suitable markets for some of the products of which we have a surplus. We have never had as much money before, but it is very difficult to earn a profit on our investments.

No hon. member will argue with me when I say that this province has changed from an agricultural province to an industrial one. I do not think the fact could be argued that we are still very dependent on our farm resources for much of our prosperity. It was mentioned the other day that the Federation of Agriculture is of the opinion that it is beginning to look as though agriculture is the balance wheel in our province today. The fact is, we are experiencing an inflationary trend in all other lines

but there is a backward tendency in the farm industry. A "balance wheel" might be a good thing, but I do feel it is bad when the farmers have to suffer in order to create a proper balance in this province. It is very difficult for the rural people to get very excited about "gas pipe lines," and "toll roads," and many of the other things which are being talked about, when they are living in near-depression days.

I might say there are as many answers to farm problems as there are farmers. Each one has his own idea concerning the answer to this problem, but it is very difficult to get something worthwhile. We will have to work out many of our own problems, and bringing our costs down is one of the most important, but there is a limit as to how far this can go.

During the past 4 years, in the production of poultry, we have been able to bring our costs down from 27 cents to 19 cents a pound, but we have just about reached our limit in that respect, and we will have to find some other means of lowering our costs. Strengthening our marketing schemes will no doubt help, but that is not the final answer.

I can suggest a number of cures, but I do not say any of them is the answer, by any means. Some are not our responsibility, but are a federal responsibility. I might mention just a few of them, and I do so with the best intention. I think I have a few of the answers which might help to bring down some of our costs.

The first one I would like to mention is in connection with assessment. This has been a rather delicate subject throughout the years, and the rural people have had some help during the past few years by way of some of these new assessments, and they have improved their situation to some extent. But I would like to point out that it is in these areas which are building up, and due to the cost of education, particularly, that our taxes are being raised a great deal. I would like to point out the fact that the people living in a house receive the same advantages, as far as education and use of roads,

and all the other things a municipality supplies, as a farmer who lives on a 100 or 200 acre farm. Hon. members will realize the farmer is assessed for every acre. In spite of the fact that he does receive rather definite reductions on his farm buildings he is assessed and he is taxed, in the over-all picture, about \$3 to every \$1 that the owner of a house and lot is. I do feel definitely, regarding farm land, that we need to take another look at the picture, and bring our assessment somewhere in line with income.

Another point I would like to make is in connection with the federal tax on trucks. Here is a point which is not in our field, and I would suggest when our officials go to these joint conferences with the federal government, they might make a point of this. Most of the farmers have been forced into using trucks, and I do not think any of them are a paying proposition, but only a convenience, and they are being forced off the road with their other vehicles, their tractors and so on. It is a "must" that they get trucks, whether it is economically sound or not.

I suggest that the federal tax on trucks should either be removed or reduced to a great extent. When we buy tractors and equipment for them, we have to sign that it is for agricultural use, and in that way the tax is taken off, and I do feel it is a very important point, and having this removed on trucks would help bring down the farmers' costs.

Another thing which I think should be looked into, as far as trucks are concerned, is the licence fee. Many of the farmers would not drive over 2,000 miles a year, and yet they are paying exactly the same tax as a person driving 300 or 400 miles a day with his truck, and making a living out of it. I think our hon. Minister of Highways (Mr. Allan) would do well to give this a little consideration in the coming year.

Another thing I would like to mention is in connection with our Junior Farmers' loans. I feel the people who are studying this, and granting these loans,

could possibly be a little more lenient towards the young fellow who is coming in seeking a loan. Where a farm was worth \$4,000 or \$5,000 a year ago, it is now in the \$20,000 or \$25,000 category. I noticed a statement the other day by Mr. D. R. Campbell, head of the Department of Agricultural Economics at the Ontario Agricultural College, in which he put the question, "Do we have too many farmers in Ontario?" The statement goes on to say:

In view of the fact that 68 per cent. of Ontario farmers have annual gross sales of less than \$3,750, Prof. Campbell came to the conclusion that "we need to encourage still more people to leave agriculture, especially those with low incomes."

There is a tendency these days to go in for larger farms, and some of the smaller farms are being squeezed out. I would suggest we should not encourage this, but do everything we can to prevent it. I think this can be done by a little more lenient financing, under The Junior Farmer Loan Act.

I mentioned subsidies a little earlier, and people being subsidized to drink milk, back in the war years. I feel there is a certain need for that so far as the rural people are concerned. I think that where surpluses are evident, our federal people should see that they are subsidized. I do not mean they should be subsidized directly, but if they have to sell to outside countries for a lower price than what the floor price would be here, I think we, as farmers, should not be ashamed of that type of subsidization, and I think more study should be given to it.

There has been some mention made by the Opposition hon. members about unconditional grants this year being increased. I am a little inclined to "go along" with them on that. The people in the rural areas have difficulty understanding why they should not receive as large a grant as the people in the city. True, they have more expenses to meet in the city than in the rural municipalities, but we find they have a great deal of industrial assessment which most

of the rural municipalities do not have upon which to call, and I suggest that be looked into, in the coming year, in an attempt to bring this grant up to an even amount.

I do not know that I have anything else to say, Mr. Speaker. I have appreciated this opportunity of getting these things "off my chest." I will be supporting the government on the Budget it has presented, but I would say, as far as the rural people are concerned, that the farmers love their independence, and would rather have their pockets empty and be independent, than have a pocketful of money and be under too many controls.

MR. P. MANLEY (Stormont): Mr. Speaker, in rising to make a few remarks this afternoon in the Budget debate, I would like, first of all, to congratulate you upon being selected as Speaker of this House. We all know that you will give every hon. member an opportunity to express himself in this chamber, and will also acknowledge, as you have, that the Opposition is a very important factor in this House, and you will afford them the opportunity of entering into the debates and discussions on the various issues which come before the House.

I would not want this occasion to pass without referring to last night, and to say what a wonderful host you were, and I wish to extend my personal appreciation to you for the wonderful annual dinner you tendered the hon. members of this House.

I would like also at this time to congratulate the hon. members who have spoken before me, both in this Budget debate, and on the motion in reply to the Speech from the Throne. I think they have all made wonderful contributions, and have expressed various opinions as to how the various provincial departments should be operated, which I think is something very beneficial, and it is well that each hon. member of this House avail himself of the opportunity, which is his, to express in his own way the needs of his particular constituency and, in a more general

way, on topics relating to the Parliamentary procedure of this hon. House.

Before I commence my main remarks this afternoon, there is one comment I would like to make if I may, regarding the address by the hon. member for Riverdale (Mr. Macaulay) when he spoke in this House a few moments ago. I congratulate the hon. member, because every time he rises in his place he always makes a good contribution to the debates in this House.

But I would like to say to him that he should get together with the hon. Provincial Treasurer, and decide whether there is a surplus, or whether there is a debt.

The hon. Provincial Treasurer, the other afternoon, spoke at some length—I believe his address lasted for about an hour and a half—and impressed the hon. members of this House with what a wonderful Budget he was bringing down, and how much surplus there was over and above the expenditures, and the needs of the province during the past year, and, of course, the headlines in all the papers across the province carried the news of the wonderful surpluses created during the past year.

Today, the hon. member for Riverdale, in a very eloquent manner, told the House there was no surplus. On the one hand, we have the hon. Provincial Treasurer telling us there is a surplus; on the other hand, we have the hon. member for Riverdale saying there is no surplus at all. If there is no surplus, and the headlines appear showing that today the net debt of the province is \$732 million, it would make very interesting reading indeed for the citizens of this province.

Mr. Speaker, I now want to deal for a few minutes with something which is of importance to myself, and I think to all the municipalities of this province of Ontario. I will follow my script fairly closely for a few moments, if I may, and from this script I will read some of the things to which I want to pay particular attention this afternoon.

This House has heard, in two instalments—something like a daily radio

serial—a somewhat involved explanation of how the municipal advisory committee works from the hon. member for York West (Mr. Brandon). I followed this dissertation with close attention because, just on the eve of the opening of this Legislature, I suggested in a provincial affairs broadcast that one of the many worthwhile things which this government could do if its intentions were sincere would be to appoint a special committee of the members of this House to review The Municipal Act, and to make recommendations by which it would be revamped so that its unwieldy machinery and the dictatorial powers of the Municipal Board would be eliminated.

I was delighted, therefore, to hear the hon. member from York West say in this House:

It is a great many years since The Assessment Act or The Municipal Act were reviewed. One suggestion which I am going to make at this time is that The Municipal Act and The Assessment Act are two Statutes which of necessity are in need of revision and review in detail, from section 1 to the end of each of the Statutes, to see if it is not possible to streamline these Acts and bring them up to date in accordance with conditions in which we find ourselves in 1956, rather than leave them in the state of antiquity where they have lain for many years.

I agree wholeheartedly with this sentiment, Mr. Speaker, and I would point out that what the hon. member for York West is now saying is what we in the Liberal Party have been saying for many years, that it is what we said during the election campaign of last June, and it is what I said just before this session of the Legislature opened.

And I would call your attention particularly, sir, to the last words of the hon. member for York West's statement: "The state of antiquity where they have lain for many years."

Unhappily for the efficient administration of this province's affairs, there has only been one Party in power in Ontario

for these "many years," and it is the Party to which the hon. member for York West belongs. If The Municipal Act needs—as he says it does—complete revision; if that revision has been delayed for many years to the detriment of the efficient handling of municipal business, then there is only one Party which can be held responsible for this unhappy state of affairs, and that is the Conservative Party which forms the government of this province.

We in the Opposition, backed up by the testimony of municipal officials in every part of the province, have pleaded with the government to do the very thing which the hon. member for York West says needs to be done, and we have met with nothing but evasions and delays. And I would submit, sir, that the same tactics are once more being used, and that the municipal advisory committee is nothing more than a red herring drawn across our path to divert us from our objective which is, simply, a revision of The Municipal Act whereby many of the powers which properly belong to the municipalities will be restored to them and taken out of the hands of The Municipal Board.

Under close questioning, and clearly against the will of the hon. Prime Minister who sought to dodge the issue, it finally became clear the other day that the municipal advisory committee had the power to review The Municipal Act. Yes, it has the power, but it has also become perfectly clear that it will never be given a chance to exercise that power.

The hon. member for York West took considerable pains to indicate in some detail just what the advisory committee does. According to his testimony it meets once a month for a period of 3 days. The hon. member read an agenda for one of these sessions and no one could deny that the committee faced a gigantic task. Questions relating to every phase of municipal administration had been referred to it. No committee could deal adequately with the items of their December agenda and possibly find time for the job of reviewing The Municipal Act.

It is quite obvious that, although the municipal advisory committee may have the power to review The Municipal Act, it will never in 100 years get around to doing it. It hasn't got the time because it was set up and is being used for a quite different purpose.

What the advisory committee is actually being used for is to act as a buffer between the hon. Minister of Municipal Affairs (Mr. Goodfellow) and those who seek to bring problems to his attention. Delegation after delegation of municipal officials who make special trips to Toronto to lay before the hon. Minister problems which he, and he alone, should consider are foisted off on to the advisory committee.

I think this is wrong, sir. I believe that when the municipalities are in trouble they should not be brushed off and referred to a committee.

HON. MR. GOODFELLOW: Mr. Speaker, may I say to the hon. member that it is only for consideration. The Minister will make the final decision.

MR. MANLEY: Mr. Speaker, I am happy to hear the hon. Minister say he will make the decision. They should meet the hon. Minister, the man who has the proper authority to give them a direct yes-or-no answer. The entire administration of this province is filled with tricky machinery just like this which is designed to give the runaround to the people of this province. The time is long since past when the hon. Ministers ought to meet the responsibilities of their office and not rely on supernumeraries and committees to shoulder their burdens.

Not only this, but the time has also come when the government should set up machinery to revise The Municipal Act. If the hon. member for York West's statement that The Municipal Act has lain in a state of antiquity for years is true—and it most certainly is true—then action is long overdue. That action cannot come from the already overloaded municipal advisory committee. Moreover, it is not desirable that a committee made up largely of members

who are not responsible to this House should have that duty. The proper way—if the government really is sincere in wanting to revise The Municipal Act—is to follow our suggestion and appoint a special committee made up of hon. members from all Parties represented in this House.

It is hard to understand the government's position. It has been admitted that our municipal legislation is outmoded and in need of revision. It has been shown that the only existing committee which could make these necessary revisions is not only overloaded with other work but is not responsible to this House. Yet the government persists in its refusal to appoint a special committee of the Legislature which could do the job well and efficiently.

The only conclusion it is possible to come to is that this government does not want to revise The Municipal Act, wants no public discussion of its dictatorial powers over the municipalities, and plans to hang on to these powers as long as it can.

I do not agree with this, sir, I think it is wrong and a deliberate flouting of the rights of municipal government.

Again in this connection, may I make one further suggestion regarding the activities of the Municipal Board? As it functions now, there are endless delays in getting a decision from the board, often in regard to the smallest and simplest matters. My contention is that this board is greatly overloaded, that it is asked to deal with scores of small matters which the municipalities are quite capable of handling themselves.

When The Municipal Act is under revision, it is of equal importance that the functions and powers of the Municipal Board be accurately defined. There is no point in setting up any administrative body in such a way that its operators get clogged by unnecessary detail. This matter can be attended to at once, without waiting for action on The Municipal Act, and I can assure you that there is not a municipality in the province of Ontario which would not be delighted to see the powers of the Muni-

cipal Board defined and its operations streamlined to a point of efficient working which would eliminate unnecessary delays in the administration of municipal affairs.

HON. G. H. DUNBAR (Provincial Secretary): Mr. Speaker, may I ask the hon. member a question about the Municipal Board and its powers? There is no place in the province the hon. member can mention—no municipality in the province of Ontario—into which the Municipal Board has gone without being invited. They have been asked to go there, and to endeavour to settle things which the municipality could not settle itself. Of course, if a municipality wants to borrow money, it has to come to the Municipal Board. I wonder if the hon. member would want or expect a municipality to borrow all the money it wished without going to some board? For any other purpose, a municipality invites the Municipal Board to come in, or they do not go, in fact, they never have.

MR. MANLEY: I am not objecting to the Municipal Board. It has a real purpose, I think, but I will say there are matters which go before the Municipal Board which might well be taken care of by the elected representatives in the various municipalities.

HON. MR. DUNBAR: But they do not take care of them.

MR. MANLEY: Why should one be elected, and then not be given the opportunity of handling some of these matters?

HON. MR. DUNBAR: They can handle them, but they simply do not do it.

MR. F. R. OLIVER (Leader of the Opposition): May I ask the hon. Provincial Secretary if he has read the speech by the hon. member for York West? That gives the answer. The hon. Provincial Secretary is arguing directly against what was said by the hon. member for York West.

HON. MR. DUNBAR: That is the song by the hon. leader of the Opposition, but played on a Jew's harp, instead of a mouth organ.

MR. OLIVER: One is as good as the other. It is a difference without a distinction.

MR. MANLEY: Mr. Speaker, I always like to arouse the hon. Provincial Secretary, because we always get a certain amount of fun when he is aroused, and it always does me good, at least.

HON. MR. DUNBAR: I like you, and I wanted to put you straight, so you would not be ashamed of it afterwards.

MR. MANLEY: In that connection, Mr. Speaker, may I say that I have nothing of which to be ashamed.

Another subject upon which I want to make a few comments at this time is that of agriculture.

Agriculture today is quite a changed industry. It is not so very many years ago since the majority of our population lived on farms, and were quite extensively engaged in farm operations, but during the last several years, that has completely changed, and today the majority of our people are working in industry, and living in our cities.

We find today that our boys are leaving the farms, and going into industry, where they can secure a larger hourly rate for their labours, and we find today that there are a great many of the "older men" — shall I say — operating these farms. What the end result will be, we cannot say, but it does create in this province a very real and a very serious problem.

It is something which this House should consider and should analyze for a moment, if it will.

I agree with other hon. members who have spoken on certain points. The position of the farmers at present is not nearly as good as it was. We are going to see a sort of depression at the present time and will find ourselves in the near

future in a position in which we will not have too many surpluses of food products but will be faced with a shortage of the high class foods which we are accustomed to furnish to the people of this province.

A contributing factor to the shortage is that the young men are leaving the farms and the older men taking over. In addition, today we are in a position where it is almost impossible to get farm help, and one has to go in a great deal for mechanized farming. The machines we have to buy are increasing in price continually. This is brought about by labour demanding more in wages and, therefore, the operation of these factories has come to the point where these additional labour costs, depreciation costs, and so on have added to the price of the machines.

The majority of the farms in the province are not of a size to warrant the operators going out and buying the machinery these factories are turning out at the present time. The trend has been for bigger and bigger machines for farming operations. A young man who intends to take up farming today, and who wants to equip himself for that work in an orderly fashion, would have to invest about \$30,000 in equipment alone.

That is a serious problem, and something of which this House should take note. It has come to the point where there are not very many young men today who will take the responsibility of establishing themselves in the field of agriculture when they find that they have to put up an investment of that amount. They see that their cousins can go to the city, without very much education and go into industry and various other work and be paid an hourly rate far in excess of anything the farmer can make on the land at the present time.

Therefore, it is very important that hon. members should assess the situation. We know that our prices of pork, beef and dairy cattle have been dropping for several years. I was very happy the other day to hear so many speakers

take part in the debate on this particular subject. I agree with what the hon. member for York West (Mr. Brandon) said, that the financial position of the farmers has a direct effect on all the people of the province. The hon. member went on to say then:

I say to you the farmer is an individual who has of necessity to be looked after.

He went on to comment on the shipment of several million pounds of butter to Europe at a reduced price and stated it should have been offered to our institutions at a reduced price.

That seemed to be the solution by the hon. member for York West for the position in which the farmers find themselves today.

The fact of the matter is that the institutions are being offered butter at a reduced price now in this province and are availing themselves of the opportunity; but it has not increased the consumption of butter.

We know that we have a floor price of 58 cents for butter at the present time. I would like to remark to the hon. member for York West, who made the suggestion that by offering butter to institutions at the lower price, or by offering it to other people in Ontario at a low price, one would not get rid of the surplus of butter in this country.

If you reduce the price to certain consumers, you are bound to break the floor price. That is something against which the farmers of the province and of the Dominion must guard.

I was very interested in the speech of the hon. member for Wellington-Dufferin (Mr. Root). He went into the agricultural field in some detail. He gave us a very lengthy address on agriculture and its position at the present time. He ended his remarks, as appears in the last paragraph of his speech, in this fashion:

The hon. member for Bruce (Mr. Whicher), speaking the other day, said he had no solution whatsoever on the problem of agriculture. Well, Mr. Speaker, I could offer him one

solution. I could offer him many more, but the hour is late. I would suggest that he forget that dream of his, that when an election comes again, he is going to beat this government. He cannot beat good government, a government which works for the people, which has done so much for agriculture, which has stimulated all parts of our economy, one which is good for all of Canada.

After an hour's speech on agriculture, that was the solution by the hon. member for Wellington-Dufferin.

I admit the government has done certain things for agriculture in this province. They have made a good contribution in regard to research. They have developed better field crops. That has been a good contribution. They also are making a good contribution to the agricultural representatives branch in 4-H club work. I could go on to enumerate many benefits derived from The Department of Agriculture. There are some things which I would not criticize, but there are other things which I think they should do, which would be of benefit to the farmers.

Mr. Speaker, to me quality is very important in the production of food products. We have built up a high quality food. I think the consumers will agree that we have a quality in Ontario unequalled in any province in the Dominion of Canada.

Speaking about quality, I wish to pause for a moment to acquaint this House with the fact that a constituent in my riding, Mr. Harold Montgomery, of Buell Bros. plant, was declared the winner of a trophy from amongst 80 entries in the cheddar cheese class at the United Kingdom Cheese Show. I think it is the first time, since the presentations began 5 years ago, that the trophy for cheddar cheese has been won outside of Scotland. I think Mr. Montgomery deserves congratulations on his success.

Mr. Speaker, I want to impress upon the hon. members of the House the importance of quality products, not only in cheese but in bacon and other food

products. This government should do something about that matter. We know that quality is a very important item. This government should try to keep the quality of our products at the standard it is at the present time, and if possible they should try to reach greater heights.

This government would be rendering a great service to the farmers if it would pay premiums for top quality products, such as cheese and bacon. There is a tendency today among farmers to hurry the production of their hogs, to the extent that they get them too fat, and do not go into the high bacon class. We must realize that we have gained a market in the United States for high-quality bacon, but if we do not continue to produce in both quantity and high quality, we will lose the markets outside the province for these products.

In the province we have a number of marketing schemes which have proven to be very beneficial to the different producers.

They have difficulties from time to time. I am not going into the details of those difficulties at the present time. However, we have a small surplus of these commodity groups, from time to time.

I realize the different farm groups have fallen down very badly in their public relations. They got into the marketing of their products only during the last few years, and they have a long way to go before there is proper and orderly marketing of all produce. It is up to the province, and The Department of Agriculture, to assist them in this respect, when there are small surpluses from time to time. It would be money well spent if The Department of Agriculture would see to it that there was made available a very high-class type of salesman, who would be retained in this province to assist the different marketing boards to dispose of their surpluses.

I would reiterate that the government should provide these marketing boards with the type of man who could assist them out of their difficulties, when they find they have some small surpluses.

I would like to deal now with some of the problems in my constituency of Stormont. Before I go into that, I wish to say that just recently we had an annexation order which came from the Municipal Board, whereby the city of Cornwall annexed the township. Formerly the city comprised of an area of one square mile. Now, by annexation, it will have an area of about 30 square miles.

We know it has been delayed for some time and that there has been quite an amount of industrial development. The city was in a position where it could not expand as it was hemmed in all around by the township, and that position was of much concern to the people of the area. I hope these municipalities will get together and iron out any grievances they may have and that the annexation order will prove beneficial to all people in the area.

I wish now to turn to the question of highways, especially those in my part of the province. Every hon. member of the House is concerned about the highways in his own area. Eastern Ontario has been neglected in regard to highway construction. With the developments pending during the last few years, The Department of Highways had reason to hesitate in building new highways in that part of the province. Now that the development has been settled, they know where the shoreline is going to be, and they know the needs of the communities, so it is up to the department to go ahead with all haste, and give that part of the province the highway which has been so badly needed for the last few years.

Highway No. 401 should be rushed to completion as quickly as possible, not only through the county of Stormont but from Toronto to the Quebec border.

With the completion of the seaway development, in 1958, when the water starts to flow over the dam in that area, we expect with the power development there a certain amount of industry will locate in that district. Hon. members must realize that it is very essential and beneficial to any industry which is

about to establish itself in any community, that it should have the facilities of transportation to ship the materials which have been manufactured from its plants. Therefore, the hon. Minister of Highways (Mr. Allan) should rush the complete construction of highway No. 401 at the earliest possible moment. I realize that highway No. 2 is being re-located, owing to the fact that the old road is to be flooded. We realize that is part of the project. I would reiterate, however, that highway No. 401 should be completed as early as possible.

Mr. Speaker, for several years I have mentioned that the people in the area were entitled to a road connecting the city of Cornwall with the city of Ottawa. Since we have had annexation, and now have a city of over 36,000, that is a necessity. I was very happy the other day to hear the hon. member for Russell (Mr. Lavergne) point out the needs of his county, and very forcibly bring to the attention of the House the isolated villages in that county.

As I said a moment ago, on other occasions I have said we were entitled to a road connecting those two cities. It is very important to all the people in that area, not only to us in the county of Stormont but also to those in the county of Russell. The only way we can develop that area is by securing the road facilities we need. We are not asking for anything out of the way. If we look at the situation we will find there is a road running north in the county of Glengarry and, also one running north in the county of Dundas. In the county of Stormont, where we have no road, we have far more vehicle registrations than the counties of Dundas and Glengarry put together. Therefore, we are justified in saying we are entitled to a road connecting those two cities in the eastern part of the province.

Mr. Speaker, the next point with which I wish to deal is power development in our part of the province. As you know, I have discussed this at some length on other occasions in the House, and I do not intend to go into it very

thoroughly this afternoon. I wish to say that the development is certainly taking shape in that part of the province. Up to the present we have been in the destructive period, but now we are beginning to build, and we are seeing quite a change in the different localities, in the different villages involved and in the townships.

I wish to reiterate what I have said on previous occasions, that everything is not too well in "seaway valley". I do not say that in any critical way, but I wish to bring to the attention of the House that there are a great number of people in the "seaway valley" who are still fearful of the outcome, they do not know what the compensation will be, they have not been approached in regard to compensation or relocation. They realize that the time is very short from now to the time when they will have to vacate their present holdings or their present homes.

HON. W. K. WARRENDER (Minister Without Portfolio): Mr. Speaker, would the hon. member be kind enough to tell me where these people are? I am not speaking sarcastically. I would be interested to know if they are not treated properly or not receiving adequate compensation. We have been negotiating settlements with many people, all on mutual basis and, apparently, they are satisfied with the amounts they have been receiving.

I do not say they are fully satisfied, but I feel we are doing our best, and the majority agree that we are giving them a fair deal. If the hon. member says there are some who are not satisfied, I would be glad to have the names, and I will follow it up for him.

MR. MANLEY: I think the hon. Minister knows there are cases where the people have not even been approached as yet. I did not say that those who have settled were completely satisfied. I said there was unrest there, and there are people who will have to vacate within the next 1½ or 2 years, who have not been approached as yet.

I am sure the hon. Minister knows that, and I think there are a number of cases where no approach has been made, and it was in that connection I stated that there was fear in the minds of those people, because they did not know where they are going or what they are going to receive and it is difficult for a man to establish himself, if he does not know what he is going to receive in the form of compensation so that he can establish himself in another district. I think the hon. Minister will agree with that.

HON. MR. WARRENDER: I agree with that, but I must point out that we started at one end where there appeared to be some urgency, that was around Iroquois. I understand the vast majority of those people have been moved, and relocated in New Iroquois, and we are now working our way down river through the new town sites 1 and 2, and I gathered the hon. member for Stormont was referring to people located down towards Cornwall.

I must admit that many of those people have not yet been approached, but I got the impression from what the hon. member said that certain people who had been dealt with were not entirely satisfied with the compensation they had received. Those are the ones in which I would be interested, because the others to whom he refers will be approached in the near future. This must all be completed before the area is flooded, and I trust they will be satisfied with the treatment they receive.

MR. MANLEY: Would the hon. Minister go so far as to say that all the people with whom Hydro has negotiated are entirely pleased with the settlements they have received?

HON. MR. WARRENDER: No, I would not say that at all.

MR. MANLEY: Well, the hon. Minister said just about that a moment ago.

HON. MR. WARRENDER: Oh, no, Mr. Speaker. I want to make it clear there are several people who have not been satisfied. We are having some

appeals to the board of review in that area, and as a result of those appeals to the board of review I think the vast majority of those people are satisfied. However, there are some people whose demands we consider a little unreasonable, and it may well be that if, on appeal to the board of review, they cannot be satisfied, a further appeal may have to be made to the Municipal Board and have the compensation fixed in that way.

I did not intend to give the hon. member for Stormont and other hon. members of the House the impression that everything is completely under control, and everyone is completely happy. That is not the case, but we are doing our best to treat those people fairly and equitably so that every one will be as happy as can be under the circumstances.

It is true that every home in that area must be moved because of the great development going on there for the good of the province and of the country as a whole. We are doing our best, by giving them 15 per cent. extra for forcible taking, to see that not only the best price offer for their houses and lands are made but, in addition, that they have this extra amount because of the forcible taking.

MR. MANLEY: In answer to the hon. Minister, Mr. Speaker, may I point out that there have been many settlements in the area, and after those settlements have been finalized, many of the people involved still say they are not satisfied, but they felt it would be of no use for them to appeal to the board of review, because they did not have sufficient confidence in the board.

Similarly they did not feel they should go to the Municipal Board for another decision, because the Municipal Board, after all, is another agent of the government. Therefore, without going to all the extra expense and trouble involved, they took what Hydro offered them. Nevertheless, I want to assure the hon. Minister that there are plenty who are not satisfied, but under the conditions simply accepted the offer made by Hydro.

I may have something more to say on that subject a little later on but, in the meantime, I want to mention another subject which is very important to our area, and that is the St. Lawrence Parks Commission. Hon. members know that at this session there is a sum of money being voted to that commission to get work started, together with the development done in that part of the area, and I think it is time that the hon. Prime Minister should name a member on the St. Lawrence Parks Commission from the city of Cornwall or the county of Stormont. Naturally, a park is very essential and vital for a city of that size, and I think an area where the development itself is taking place is entitled to have a member on the commission.

I think the government should not hesitate any longer in that regard, because there is going to be extensive planning take place, and I am certain that the area deserves a member on the parks commission, and I would ask the hon. Prime Minister to take this seriously into consideration, and make such an appointment as speedily as possible, because people in the area, and in the city of Cornwall, feel that they should have a representative to assist in planning the parks system in that part of the province.

Mr. Speaker, it has been a very great pleasure for me to take part in this debate this afternoon and I want for a moment to refer to some of the speeches previous to mine. From all the speakers, with no exception, we have heard great praise of what this government has done for the people of the province. Mr. Speaker, I say to this House that this so-called "good government" has just been floating along on the ship of progress, on the prosperity made possible by the great expansion of industry, by the belief of our people that there is a great future in the development of this great province, and by the policies of the federal government during the war years, and the transition period.

Hon. members opposite boast about the surplus Budget and no new taxes. They forget that just recently this gov-

ernment boosted the motor vehicle licence fee in this province to the amount of \$11½ million. They put this money into the highway reserve fund to gather dust. That is why our highway programme has lagged so far behind in this province.

With the expansion of industry, we must have transportation facilities. It is time, Mr. Speaker, we removed the barnacles from the ship of this province, so that it might sail smoothly on for the betterment of the people of this province.

MR. W. G. NODEN (Rainy River): Mr. Speaker, let me take this opportunity, like other hon. members in this chamber, to extend to you my sincerest wish that the position of Speaker will be an honour you will always cherish. I know you will always be fair in your deliberations to all hon. members of this House.

In entering the Budget debate I will try to explain some of the possible mining tax returns to the treasury.

Mr. Speaker, it was my privilege, with other hon. members, to view the first showing of a film by Canadian General Electric Co., the subject being The Development and Progress of the Building of the St. Lawrence Seaway and Power Development Now Under Construction. This film was of a historical nature as well as a work programme. You have to view this work programme on the screen to realize the immensity of the engineering and planning which is necessary before operations begin.

I was most interested in the early development of the St. Lawrence, where the scene depicted the river in its natural state, the headwaters beyond the Great Lakes flowing to the St. Lawrence, its erratic course over falls and rapids, then gently easing into the Gulf of the St. Lawrence. Travel at that time was done with great hardships, as every rapid had to be portaged.

The next step in the development of this great waterway, in order to facilitate the movement of commerce to the interior, showed the construction of the first lock, so that larger boats could travel to the Great Lakes. At this time

it was proposed to build an all-water route to western Canada. That was by way of the Great Lakes, starting at Grand Portage south of the Lakehead cities. The water route was to follow the Pigeon River, Rainy Lake, Lake of the Woods and Lake Winnipeg.

This programme was actually begun about the year 1873, when a canal and a lock were built at Fort Frances, then called Fort Lac La Pluie. This was tied in with the St. Lawrence in an all-water route to western Canada to carry the trade. The North West Fur Trade Co., as it was at that time, transported its goods by way of the Ottawa River, and Georgian Bay to Prince Arthur Landing—now the Lakehead cities—bound for western Canada. This was the only means of travel at that time and for the movement of merchandise across Canada.

Then, under the Conservative government of Sir John A. Macdonald, it was made possible to build the first transcontinental railway. When the Canadian Pacific Railway was connected with the west through northern Ontario, the programme of building locks was discontinued. Possibly if the connecting waterways between Lake Superior and the west had been of a size comparable to the St. Lawrence River, that programme would have been continued to completion. Today, we have 3 railway lines running west from the Lakehead cities, which will be the terminus of the water shipping which will come from all parts of the world.

It is significant there is only one highway connecting the east with the west. To the south, our sister nation has at least 8 transcontinental highways to take care of the motor traffic of today; in Canada, while we are today planning an enlarged water route to take care of our ever-increasing trade with the rest of the world, we have only one highway from the Lakehead cities to the west.

In the Budget which was brought down last week, there is provision for beginning construction of a causeway across Rainy Lake which, when completed, will provide another highway.

We are fortunate in having railway lines, which we hope will be able to take care of the increased traffic. We are lacking in highways to tie in with this great St. Lawrence Seaway programme.

Our hon. Prime Minister (Mr. Frost), leader of the Ontario Progressive Conservative government, has given definite assurance that the building of the connecting link between Atikokan and Fort Frances will be proceeded with, and he said: "This is a good, sound, business proposition."

Let me assure hon. members of this House, this highway, when completed, will provide another transcontinental highway across northwestern Ontario, providing the shortest route to the Pacific by way of the Crows Nest Pass, through the Rocky Mountains. In addition it will relieve the motor traffic which will be developed when the present St. Lawrence Seaway programme is completed, allowing the ocean-going ships to unload at the Great Lakes ports.

I would like to point out other reasons for the completion of this link.

Today the second largest provincial park is Quetico. It is next in size to Algonquin, and consists of 1,800 square miles, a park boundary of 225 miles, with a water area of 395 square miles. Quetico Park is a wilderness area, without buildings or roads, but is in its natural state, the forests and streams untouched. This park is being retained in this manner for the use of the people of Ontario and our friends to the south, but only by building access roads can it be used. There is the further development of mining, forests and the tourist industry.

We have at the very western border of Ontario, one of the better farming areas in the province. With the completion of this highway, will also be provided means for the farmers to transport their produce to their closest markets, Atikokan and the Lakehead cities.

Hon. members can understand the necessity of building this connecting link, because it will be a part of the

overall picture of the highway system of Ontario, not simply of a local nature. There are great problems, engineering as well as financial, but in a fast-expanding industrial province, we have the wealth of natural resources beyond the imagination of any hon. members here today.

I listened with great interest to a statement by the hon. Minister of Mines (Mr. Kelly), when he said the northern part of this province paid into the treasury some \$8 billion. I would say that is only a beginning. Ontario today is in its greatest period of expansion. We do not need to be afraid of investing in our resources; so long as the people of this province will benefit—and that they are doing. Consider the immense Hydro development, the St. Lawrence Seaway, and now the water resources scheme, about to come into being; and consider private industry, clamouring to extend their plants all over this province.

We are looking to an increase in immigration to help us keep up with the good days which lie ahead. Let me point out the fact that government and private industry, working together, have made Ontario what it is today. In north-western Ontario, where the well-known Steep Rock iron mines is now one of the largest producers of iron ore in Canada, 13 years ago was a lake in the bush country. It took individuals with foresight and fortitude to bring this great mine into production. This government brought in Hydro, the building of the Atikokan highway, assistance in the building of homes on a partnership plan, setting up of well-planned subdivisions, assistance in the building of schools and hospitals, all in a short period of time.

Some will say "Why does the province invest all this money in the bush?" One hon. member referred to building a road through the muskeg as "running to nowhere". This is the answer: It will provide access to an area where the citizens of this province can establish homes; the natural resources will provide a means of a livelihood.

This investment—one of many in northern Ontario—is now paying off. Steep Rock mine paid, in mining taxes, into the treasury of this province for 1954 approximately \$375,000 and for 1955, approximately \$1 million. The latter figure is based on production of 2¼ million tons for the year 1955. With an increasing tonnage each year from now on, I will venture to say any money invested by the province in this area will be paid back within a period of 10 years.

Is that pouring the taxpayers' money "down the drain"? I do not think so. The treasury of this province will receive back untold wealth, which, in turn, will help some other part of Ontario to become established.

I would like to give you some further facts regarding this great iron ore development. When the total capacity from both the mining companies comes into production, it will mean a \$100 million industry. It will mean also about \$82½ million as mining tax going into the treasury of Ontario each year.

I would like to quote from an address given by the vice-president of Steep Rock Mines about a week ago, in the city of Toronto:

As mentioned previously, our 1956 programme contemplates the sale of 3.25 million tons. We expect to build that up to 3.75 million tons in 1958, and to reach our objective of 5.5 million in 1959.

At this latter rate, the property would be able, on the basis of presently known ore potential, to sustain production for about 30 years for each 1,000 feet of depth. This means there is \$300 million worth of ore per 1,000 feet of depth, and presently at 2,100 feet there is still ore, and reason to know it goes to a greater depth.

Because the importance of such things are sometimes lost in the shuffle, I would like to say something about the impact on industry such as ours has on the community and area in which it operates.

By the time Steep Rock and Caland reach their objective of 8.5 million tons, the community of Atikokan will have grown from 300 in 1943 to over 15,000 people. Steep Rock and Caland will have a gross sales volume of \$90 million to \$100 million, with an annual payroll of \$12.5 million to \$15 million. It will be paying the railways and lake freight on outgoing shipments alone; and last but not least, it is pertinent to note that the investment, which Steep Rock and Caland will have made, will have attracted an investment by other parties for railway facilities, ore boats, townsite facilities, etc. of sums totalling \$75 million to \$100 million, all of it revenue producing.

So you see, when you throw a pebble into the investment pool, it creates rings of ever-widening benefit to scores of people.

I would like at this point to put on the record a statement in reply to one made by the hon. member for Waterloo North (Mr. Wintermeyer), in connection with the export of iron ore from Canada today. The hon. member said it should not be exported, but should be processed here.

May I assure him that for 50 or 60 years, preceding 1953, we imported more iron ore than we exported, and if it had not been for such imports, our steel industry today simply would not exist, because we were dependent upon other nations for different grades of ore to mix with our own. It takes as many as 5 different grades of ore to produce certain types of steel.

I think, therefore, that when other countries, and especially the country to the south of us, are giving us of their natural resources, it is only appropriate that we should reciprocate, to help them, because had it not been for the assistance we received from them in the past in this respect, our labour market today would not be what it is.

May I place some figures on the record, showing the possible amount of mining tax which will be paid into the

treasury of this province, beginning with the year

1954 approximately	\$ 375,000
1955 approximately	1,000,000
next 3 years	
approximately	4,625,000

This shows an estimated mining tax for 5 years	<u>\$6,000,000</u>
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When I made the statement that all moneys invested in this area would be returned within a period of 10 years, I based it on the total capacity of production from both mining companies when in full production. This would amount to \$18.5 million, and in 15 years, approximately \$31 million. What better investment would this government make, and have it paid back in such a short period?

Mr. Speaker, it might be asked: "How do we know that production can carry on?" We know that today, to the south of us, the consuming United States mills take practically 90 million tons per year, and 80 million tons of this comes from the Mesabi Range, but that area has now started to "peter out," and will be able to produce, in the near future, only about 45 million tons. So their ore must come from some place else, and that place from which it can come will be Canada. That will be the picture for the future.

It was the individual citizen of this province who had faith in his own ability to progress, and not any of the ideas of the hon. member for York South (Mr. MacDonald). Ontario has progressed to where it is today by industry—this government and the people, all working together in harmony.

Mr. Speaker, I would like now to refer, for a few minutes, to the accomplishments of this government with respect to our Indian population. I feel I can speak with some authority on this subject because I have lived most of my life in an area which has a relatively high percentage of Indian population.

Last June 9 marked the first time the Indians of this province were entitled to vote. The franchise was extended to

them under legislation introduced by the government, and approved unanimously by this House last year. It is to the credit of our Indians that in their first election a similar proportion of their population went to the polls and voted as of the general population.

Indian families without a breadwinner now receive provincial mothers' allowances, subject to the same qualifications as their white neighbours. Formerly, Indian families in these circumstances had to depend upon the very meagre assistance granted by the band to which they belonged, or from federal funds.

Child welfare, a second serious problem of Indian family life, has also received the attention of this government. Last year, talks were initiated with representatives of the Indian Affairs branch of The Department of Citizenship and Immigration of the Government of Canada on this matter. I understand that an agreement is being reached which will enable children's aid societies throughout the province to provide complete child welfare services on Indian reserves. This is a good example of what can be accomplished through the co-operative efforts of the federal and provincial governments, for the betterment of our Indian people.

Recently, Mr. Speaker, I had occasion to co-operate with officials of the Indian Affairs branch to send emergency supplies to 3 Indians stranded in Quetico Park. They had gone into the park without snowshoes, and were stranded by an unexpected fall of snow. I arranged for a plane to fly in supplies and snowshoes which were provided by the Indian Superintendent. With food and equipment dropped from the air, the 3 men were able to make their way safely back to their homes, and a possible tragedy was averted.

So far, Mr. Speaker, I have referred to the extension of benefits to the Indian which places him on a par with the rest of the population. Even more important, perhaps, is the contribution which the Indian himself is making to improving his lot. This government, by its policy of non-discrimination, is making

it possible for more and more Indians, through their own efforts, to attain a higher standard of living.

For example, Indian children are taking advantage of greater educational opportunities which are being made available to them. Increasing numbers of Indian children are attending our elementary and secondary schools, and going on to secure higher education. It is encouraging indeed to see the first citizens of Canada coming into their own, and taking their rightful place in the professions, industry, business, and in all walks of life.

I do not believe it is generally recognized that about one-half of the Indian population of Canada has entered the industrial world in one way or another. The Indian is anxious to learn. This is true not only in relation to technical and professional education, but also in relation to their long-established means of livelihood.

Agricultural and other courses, such as crafts, offered on Indian reserves by The Department of Agriculture, and the community programmes branch of The Department of Education, are always well attended. In the north where trapping is still a major industry among Indians, they have co-operated to the full in the government's programme of conservation. They are anxious to maintain the regular supply of furs made possible by the trapping limits established by provincial legislation. It has often been said that the Indian lives only for today, but I am convinced that this attitude is gradually becoming a thing of the past.

As a representative from that great part of Ontario—the northwest—I want to emphasize that the problems of the Indians in all parts of the north are different than those in the south. Isolation accounts for much of the difference. In the very remote areas of the north the Indian still lives much the same as his forefathers, and speaks only in his native tongue. Obviously, the approach to the possible assimilation of this group into the rest of the population must take these circumstances into account.

I think this is important, Mr. Speaker, because the next 50 years will see tremendous industrial expansion in northern Ontario. The new sources of power being developed will bring new industries to that part of the province. This will mean ever-increasing opportunities for the entire population of the north. The northern Indian will expect to share in these greater opportunities, just as his brothers in the south have shared in its industrial development for two generations.

Like all human beings, the Indian thrives best upon freedom. He has too long been regarded as a "second-rate citizen." Indian leaders themselves have come to recognize that federal legislation governing Indians is far from satisfactory. One prominent Indian chief recently referred to these laws as "the smothering protective laws that keep us down." Perhaps more than anything else, we need to find more ways and means of restoring the Indian's confidence in himself, and in the white men.

The steps taken by this government toward that end are already having a favourable effect among all our people, both Indian and non-Indian. New attitudes are emerging, based upon mutual trust and respect. The paternalistic attitude of the white man toward the Indian is slowly changing to one of regarding him as an equal. More important, however, is the desire and willingness of the Indian to prove he is worthy of equality whenever he has the opportunity. It has taken more than two centuries to convince the white men that the Indian wants more out of life than to be born, to live, and to die in the shadow of the Great White Father.

This government, both in practice and spirit, is taking the lead in the full recognition of Indians as equals. I have no doubt that the recent progress made in the treatment of Indian citizens in this province ranks among the finest achievements ever made by any jurisdiction in this field. In English, on their behalf, I want to say "thank you." In the Ojibway dialect they would say *Ma Guetch*.

MR. NIXON: Mr. Speaker, may I ask the hon. member a question?

MR. NODEN: Yes, certainly.

MR. NIXON: How has the beverage room privilege worked out with the northern Indians?

MR. NODEN: Mr. Speaker, may I answer that in this way; it all depends on the area to which it would apply. For instance, in the southern part, I have noticed no change; it made no difference to them. But in the far north, I would say there has been some noticeable change. When they come into organized communities, they enjoyed more freedom than they had before, whereas, in the southern part, the communities were more easily accessible to them, and that did make somewhat of a difference.

MR. W. E. BRANDON (York West): Mr. Speaker, it is a pleasure for me to participate in the Budget debate this afternoon, and to make reference to many of the matters on which the hon. Provincial Treasurer (Mr. Porter) spoke in his Budget presentation. There are two or three things which are predominant, I believe; the first is that this is the 13th consecutive surplus, which, to me, indicates one thing, namely, excellent administration.

Today, as we all know, we have businesses which are proving financially successful, but we also have businesses which are going under, becoming bankrupt and experiencing business failures. But, as I say, as far as the finances of the province are concerned, it is of great importance to note that we have had a surplus during the past fiscal year.

One other observation, to which the hon. Provincial Treasurer made reference, was the fact that in the proposed Budget there were no new taxes, and no increased taxes. The hon. member for Stormont (Mr. Manley), a few moments ago, referred to the recent increase in automobile licence fees. If one terms that as an "increase in taxes"—or however one may wish to term it—

the fact remains, nevertheless, that, as the hon. member also mentioned, those fees were put into the highway reserve fund. We have had a great deal of discussion concerning the highway reserve fund, what its purpose has been over the years, and what its anticipated purpose will be in the future. To me, Mr. Speaker, there seems no doubt that, in the main, it pays to have reserve funds once in a while, especially when they are needed.

Dealing now with The Department of Highways, may I say that, in my thinking, that is one department which has contributed a great deal to the life and welfare of the people of the province of Ontario. Where would we be economically, socially or in any other aspect of our relationships in normal living, if we did not have development of highways? Our trucks transport food from the processing plants around the country to the large urban centres. The highways make it possible for those trucks to transport the merchandise to the various towns and hamlets throughout the country, and in order to provide the wherewithal so that the goods may be transported for the benefit of all, we needs must have good highways.

In the current Budget we find there has been an increase in the amount set aside for the construction of highways. May I make this one point, that the development of highways, basically, is an increase in the capital investment of the people of Ontario. Some people may argue the fact that highway costs are, in many respects, maintenance costs, and are, so to speak, wasted or gone into thin air from year to year. I suggest, Mr. Speaker, that highways constitute a very, very important and practical capital investment, and consequently the government is to be congratulated for developing a greater highways system throughout the province of Ontario.

While speaking on the subject of "highways," I would like also to make reference to the mining access roads. These are roads developed, generally in the northern part of the province, basically for the development of natural resources. Two or three years ago there

was a mine-access road built in northern Ontario, out of Timmins to a little lake called Warren Lake, a distance of about 25 or 30 miles, and there the road came to an abrupt end. Last weekend, accompanied by several hon. members of the Legislature, I had the privilege of travelling over that road again, proceeding beyond the former abrupt ending at Warren Lake. Today, that highway is opened and passable as far as Folyet. I will admit the last 10 miles or so are rather rough, because, at the present time, it is nothing but a bush road, but it provides a means whereby the people of Folyet are enabled to make contact with Timmins and other places in northern Ontario.

One aspect which was brought to our attention last weekend was that, if a person in Timmins desired to go to Folyet by rail, it would take something in the neighbourhood of 27 hours, whereas, by driving over the new development road, the trip can be accomplished in something less than 3 hours. That is the type of development which is being undertaken at this time by The Department of Highways, and that is an example of expanding what was originally simply a mine-access road.

And while I am speaking about this road, may I say it was also noted last weekend that the Johns-Manville Company is undertaking a development, in connection with which the access provided by this Warren Lake road is of great importance; in fact, it is the only means of ingress and egress which they have for this proposed development.

The development of highways is very important. Last year, a discussion developed concerning toll roads, with the result that a select committee of the House was set up to deal with the matter of toll roads in the province of Ontario. That committee has not as yet brought in its report, but I expect it will be brought in within the next week or so, and what I have to say in regard to toll roads, I will say at that time.

Getting back to the matter of mines and mine-access roads, the gross output of natural resources in our mines last

year aggregated some \$578 million. The development of mines, and of our forest products industry, are two of the important developments of natural resources which we have in the province of Ontario. We needs must do everything in our power, as a government and as hon. members of this Legislature, to develop these natural resources, not only to derive revenue—that is incidental and important, of course—but basically for the purpose of developing our natural resources and at the same time providing employment for the people of this province and for the people who ultimately may become citizens of this province.

Therefore, The Department of Mines, The Department of Lands and Forests and The Department of Highways anticipate great expenditures in the year that lies ahead in order that those accomplishments may be brought about.

Mr. Speaker, there is one other capital asset which this province has, but about which we do not hear very much in this House. It is the Ontario Northland Railway. Have hon. members ever stopped to think how much of the country north of North Bay would be settled as much as it has been, or would be industrially developed as much as it is, if it were not for the Ontario Northland Railway?

That railway has a great history and has made a great contribution to the development of this province. Undoubtedly, it will play a major role in the development of the greater areas which still lie undeveloped in the northern portion of this great province of ours.

I would like to speak for a moment in regard to the matter of welfare and health. While we have two departments dealing with these two aspects of administration, the two are joined together on a practical basis. The welfare of the people of the province of Ontario and their health, and the means whereby their good health may be assured, are of great importance.

In regard to welfare: the present administration brought in, a few years

ago, pensions for totally disabled persons. Ours was the first province in Canada to do so. It took a little while for the idea to catch on, but finally it was acknowledged by the government at Ottawa that this was a worth-while project. There has also been brought in a scheme of pensions for blind persons.

As you know, the province also assists in connection with old-age pensions. In the last few days, we have heard much concerning old-age pensions from various hon. members of this House. They have indicated, from a practical standpoint, that it might be desirable that old-age pensions should be increased. As we know, at the present time the pension amounts to \$40 a month per person. To say the least, it is very difficult for a person, especially in an urban centre, to live on \$40 a month. Have hon. members ever stopped to think how our older citizens got along before we had old-age pensions at all, when there was no \$40 a month?

All hon. members know how they got along. Their families helped them, the sons and daughters assumed the responsibility, and were prepared to return the practical aid and assistance which their parents had given them in years gone by.

Today, unfortunately, we find that quite a number of sons and daughters are not prepared, or do not want to, acknowledge the obligation to mother and "Dad", simply saying in effect, when mother and "Dad" attain 70 years of age, they are entitled to the old-age pension and should be able to get along on that.

Mr. Speaker, that attitude is not limited to old-age pensioners. The hon. members of this House could discuss many avenues of public service which were taken care of at the home level in years gone by.

I am not saying that the old-age pension is not a good thing. It is. It is an excellent thing, and undoubtedly have helped a great many people, and will help a great many more in the future. However, one thing I cannot understand, is why, in this modern age and generation, in 1956, sons and daughters neglect

some of our older citizenry in this province, and in this country. It is high time that responsibility be brought back and placed on the doorstep of the younger generation, so it will know it owes a debt—even though only a moral debt—to their parents for what they have received at the hands of their parents in years gone by.

If, as, and when it becomes financially possible to make an adjustment in old-age pensions across the country—not only in the province of Ontario, but in the whole of the Dominion of Canada—I think it should be done. However, I do not subscribe to the increasing of

old-age pensions in one province, and not in another. A citizen, wherever he lives, whether in Ontario or British Columbia, in Prince Edward Island or Newfoundland, is entitled to the same consideration in one place as in another.

Mr. Brandon moves the adjournment of the debate.

Motion agreed to.

Hon. Mr. Dunbar moves the adjournment of the House.

Motion agreed to.

The House adjourned at 5.30 of the clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Friday, March 9, 1956

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

FRIDAY, MARCH 9, 1956

1 O'CLOCK P.M.

THE HIGHWAY TRAFFIC ACT

And the House having met.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

CLERK OF THE HOUSE: Mr. H. E. Beckett, from the Standing Committee on Legal Bills, presented the committee's second report, and moves its adoption.

Your committee begs to report the following Bills without amendment:

Bill No. 42, An Act to amend The Credit Unions Act, 1953.

Bill No. 62, An Act to amend The Fire Marshals Act.

Bill No. 93, An Act to amend The Trustee Act.

Your committee begs to report the following Bills with certain amendments:

Bill No. 44, An Act to amend The Jurors Act.

Bill No. 65, An Act to amend The Land Titles Act.

Bill No. 92, An Act to amend The Regulations Act.

Bill No. 94, An Act to amend The Securities Act.

(signed) H. E. BECKETT,
Chairman

Motion agreed to.

MR. SPEAKER: Motions.

Introduction of Bills.

Hon. J. N. Allan moves first reading of Bill intituled, "An Act to amend The Highway Traffic Act."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, the amendments brought forward at this time are not of any great magnitude, but affect various parts of the original Act. I might mention what they are at this time. The first one has to do with the word "trailer." It clarifies as to whether or not certain machinery, such as an air compressor, an electric welding outfit or a cement mixer, would be considered "trailer," the amendment making it clear in that case, that such are not trailers and so do not need to be licenced. There are several such items.

We have found especially in the areas where there is international truck traffic, that a great many of the states require motor trucks to have amber lights, instead of green, on the front of the truck. The amendment to the second section has to do with permitting amber lights, as well as green, on the front of trucks and transports.

The section relative to brakes on motor vehicles is re-enacted to bring it in line with similar legislation in other jurisdictions. The regulations we intend to recommend will set a definite distance within which a car should be stopped by the service brake. The hand brake, or parking brake, will be recognized as a parking brake, and the regulations will state what is required in that connection.

Mr. Speaker, the section in which hon. members might be most interested

is the section wherein we give to the Lieutenant - Governor authorization to set speed limits on King's highways. The thought behind that is—after a study by our traffic engineers—to enable a recommendation to be passed for an Order-in-Council. The Order-in-Council will set the speed limits; this applies especially in fringe areas.

Under our present regulations, residents of a built-up area may petition to have a 30-mile-an-hour speed limit. That can be done if it is built up for a distance of 300 feet on both sides. We propose that a study be made of the area, and a speed limit recommended which we feel will be suitable for the traffic density there.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Speaker, may I ask the hon. Minister of Highways whether this proposed amendment gives the Minister the power to set speed limits throughout the province of Ontario?

HON. MR. ALLAN: Mr. Speaker, yes. I was about to mention to the hon. members of the House that this would also enable, by Order-in-Council, the setting of a speed other than 50 miles an hour on any other highway. It is not intended to proceed immediately with an increase in the present speed limits, but rather to conduct a study. It may be possible, in an experimental way, to recommend or set other speed limits which might be higher than 50 miles an hour. Possibly there would be one speed for days, and another speed for nights, or there might be one speed for passenger cars, and a different speed for trucks.

MR. T. D. THOMAS (Oshawa): Mr. Speaker, I might remind the hon. Minister that the members of the Select Committee on Highway Safety were not in agreement with increasing the speed to over 50 miles an hour. I think that recommendation was unanimous.

HON. MR. ALLAN: Mr. Speaker, I would point out to the hon. member for Oshawa that I believe I am correct in my recollection that this is exactly

according to the recommendation of the Select Committee on Highway Safety.

We are suggesting also a slight amendment to the section in the Act concerning load limits. In our amendments last year, there was one group—that of tandem-axle semi-trailers—where the load was not increased. It was out of line, and we are bringing it into line now.

We have always had a regulation concerning the transporting of exceptionally heavy loads on the highways, but in that regulation, there was no provision for a penalty, and we are suggesting that a penalty be now included.

Mr. Speaker, there is one other innovation, insofar as the regulation of traffic is concerned. It has to do with the institution of a "yield right-of-way" sign. These signs have been used in other jurisdictions—though not in many—for some time. We are told they have decreased the number of accidents on the highways. The "yield right-of-way" sign could be used at the entrance to a controlled-access highway, where there is a long acceleration lane, and where it may be decided by the engineers of our traffic department that such would be desirable. It could be used on certain streets where the traffic is light. It requires all traffic to slow to 15 miles an hour, and not to enter the other road until the way is clear. It suggests that a person entering the other street must yield the right-of-way.

There is also a slight amendment to clarify that snowplows, or some maintenance or road-building pieces of machinery on the highways, are permitted to stay in their places, rather than yield half the road to oncoming traffic.

We have found in certain areas where one-way streets have been established, and where there are streetcars, that our legislation permitted passing the streetcar only on the right-hand side. This legislation will permit the passing of streetcars on either side, on one-way streets.

There is a slight amendment having to do with the provision concerning

hitchhiking and throwing litter on the highways. It is simply a re-wording of the amendment.

There is another change which we suggest. At the present time it is mandatory, under the Act, to suspend the licence and the motor vehicle permit of a person convicted of a criminal offence, such as driving while intoxicated, or driving with ability impaired, for a definite period. The proposed amendment will in no way affect the present provisions for the suspension of the driver's licence, but will, however, not apply to the permits for the operation of vehicles.

Up to the present the suspension of the licence, and the removal of the plates from a vehicle, have been mandatory. Very many cases have come to my attention during the past year where a very great hardship has been created by the fact that the car was taken out of circulation, and could not be used. This applied particularly to salesmen, and if the plates had not been removed, his wife or somebody else could have driven him around, and he could perhaps have been enabled to keep his position. It was in the hope of lessening or doing away with this hardship, caused to innocent people, that we have suggested the removal of the licence plates be not made mandatory, although there is still a provision in the Act whereby magistrates may require the picking up of the plates, if they so desire.

Also we propose an amendment having to do with those areas where it is desirable for municipalities to do the policing of the King's highways. This has reference especially to urban townships. This means that the local police force would do the policing of the King's highway within a township, or part of a township, and makes possible an agreement between the township and the Minister whereby the township may assume such responsibility and any fines collected, as a result of that policing, would be payable to the municipalities.

We discovered also that, although it was unlawful to drive a motor vehicle the permit of which had been suspended, there was no penalty provided, and we

have provided for such penalty in that connection.

Section 15 has to do with having the financial responsibility exactly the same in the code as in The Highway Traffic Act.

All the provinces of Canada, with one exception, now have in effect legislation, whereby upon failure to satisfy a judgment arising out of a motor vehicle accident rendered against a resident of one province by a court of another province, the driver's licence and motor vehicle permit of the judgment debtor is suspended. An amendment is recommended to provide that this provision of our Act is reciprocal to the extent that it applies to judgments rendered against residents of Ontario in a province which has similar legislation. That has been the practice in all the states in the United States, and the amendment provides that it be made reciprocal in connection with the provinces, as well as the states.

MR. H. A. WORTON (Wellington South): Mr. Speaker, may we have a further explanation from the hon. Minister with reference to the amendment concerning hand brakes?

HON. MR. ALLAN: It will probably be the regulations in which the hon. member is interested, more than the legislation. It means that the parking brake will be recognized only as a parking brake, and the regulations will state it must hold the vehicle on any grade. That will be a requirement of a parking brake. I think hon. members who were on the Select Committee on Highway Safety last year will remember that the motor vehicle manufacturers were very definite in stating that the second brake was a parking brake, and was not to be considered as a second service brake. Our thought was to clear that up and bring it into line.

ONTARIO MUNICIPAL BOARD ACT

Hon. W. A. Goodfellow moves first reading of Bill intituled, "An Act to amend The Ontario Municipal Board Act."

Motion agreed to; first reading of the Bill.

He said: At the present time, the Act stipulates that the board shall be comprised of a chairman, a senior vice-chairman and a junior vice-chairman. It is suggested in this amendment that there shall be a chairman and one or more vice-chairmen, without designating "senior" or "junior."

Under the present section of the Act, the orders of the board must be signed by the chairman or a vice-chairman. It is suggested by this amendment that signing officers may be appointed by the Lieutenant-Governor-in-Council. I have found, upon enquiry, that at times a great percentage of the time of the chairman—and particularly the vice-chairman—has been taken up in signing debentures and so forth, under orders issued by the board. That seems to be a great waste of time, and it is proposed now that by Order-in-Council, signing officers, such as the secretary of the board or other person, may be appointed.

Another amendment provides that the board be required to hold a public hearing before dispensing with the assent of the electors under section 66. The amendment provides that where the board has approved an expenditure for any purpose, it may dispense with the assent of the electors, and approve an additional expenditure, up to 25 per cent. of the original approval, for the same purpose without holding a public hearing.

Another section provides that where an order of the board is final, it is made, subject to the power of the board to review, rescind, change or alter its decision.

MR. SPEAKER: Before the Orders of the day, I would like to welcome 4 groups from outside the city, and two from the city of Toronto.

The first is a group of 24 students from the Sudbury High and Technical School. These 24 are the most outstanding students in that school.

Also there is a group from the Malden Central School at Amherstburg; another

group from the Blind River High School; another from the Ridgetown District High School; a group from St. Michael's Cathedral Choir School, and, finally, a group from the Allenby School, Toronto.

Orders of the day.

The House, on order, resolved itself into the Committee of Supply.

THE BUDGET

MR. W. E. BRANDON (York West): Mr. Chairman, at the adjournment yesterday I had been making certain observations dealing with welfare, and particularly, with old-age pensions. Today, I would like to make some further observations concerning these two fields of administration of government, and to draw to the attention of the hon. members of this House some of the benefits which have been afforded our senior citizens.

During the past year, there have been 11 homes for the aged built in the province of Ontario, which will undoubtedly afford additional services to those persons who require to be assisted in this manner.

Hon. members will recall that, a year or two ago an additional type of service for our senior citizens was made available by way of providing care for our elderly citizens in private homes, and that, in itself, has assisted in many respects, because it takes away from an individual the suggestion that he or she is a resident in a home or an institution, and provides the privacy and privileges generally associated with his or her own home.

Now, for a moment, I wish to deal with a particular field of hospitalization. During the past year, some 20,000 persons have been hospitalized, suffering from mental illness. Mental illness, as has been said in this House before, is an unfortunate disability which befalls a great number of people. There does not seem to be any basis or premise in respect of which one may gauge as to

whether or not a person is susceptible to this particular type of illness.

As has already been said, up to 5 per cent. of the population at one time or another suffers some sort of mental illness or disability. And with that in mind, one needs must recognize the fact that provision must be made for persons suffering from this kind of illness.

Now, dealing with the matter of retarded children: this is a subject which has been discussed at some length in recent months, particularly during the fall of 1955, when a campaign was initiated to provide a fund, amounting to some \$625,000, on behalf of the Toronto Association—which fund, as hon. members know, was over-subscribed.

A few weeks ago, when I was making some remarks in the debate on the motion in reply to the Speech from the Throne, I made certain observations in respect of the efforts expended in that connection by the Civitan Clubs.

In addition to the efforts put forth by the Civitan Clubs, there was another service club, called the Canadian Progress Club, which made a most admirable effort in connection with the Toronto Association, providing, through its membership and executive, personnel and financial assistance in this worthy cause. The Canadian Progress Club, I may say, is a service club of many years' standing, and many of the hon. members of this House will recall that this particular service club was responsible for providing free milk to the children in our elementary schools in the province of Ontario, prior to that particular service being taken over by the government, through its Department of Education.

These clubs provided a most admirable service, and like all other service clubs have endeavoured, at all times, wherever they can be of help, to provide the greatest assistance for the benefit of persons in need.

During the past year, much has been said about the distribution of the Salk polio vaccine. To begin with, in some quarters there was a certain amount of objection to this particular type of treat-

ment, but at the present time, I am happy to say, it has been recognized as fulfilling a true purpose of endeavour.

Polio vaccine has been recognized as not only filling the need, but has exceeded, and will exceed, the claims made for it and will augment the supply for the benefit, particularly, of our students in our elementary schools. Polio has, for many years, been a disease concerning which not too much has been known, but in respect of which the effects have been seen upon the bodies of a great number of persons. I do not suppose there is any type of physical disability where the sympathy of mankind goes out in greater measure than in cases where children have been afflicted with polio.

Salk vaccine, as I have indicated, is not only presently available, but will be made available in greater quantities in the coming year.

In my remarks I have tied some of these matters, which I have just been mentioning, into the administration of The Department of Education.

Much has been said in regard to the cost of education to the people of this province, and also in regard to the administration of education generally, and it being made available to the citizenry of this province.

We all agree that education has, for many years, absorbed, and certainly does now absorb, by far the greater portion of tax revenue derived at the municipal level. Of necessity, every dollar which has been voted for education has been, and will be, expended for the benefit of students who attend our public institutions of learning.

During the past week, we have been honouring education, generally, by the observance of Education Week. There have been opportunities afforded to the parents or guardians of the boys and girls in our schools, to meet with the principals and teachers of the various schools, not only to see how their sons or daughters have been progressing, but to learn something of the general type of administration and teaching system adopted in the school which the child may be attending.

In some quarters, I am told that there is a great lack of interest amongst parents in regard to attendance at these meetings, on an evening set aside for the purpose of discussing these things.

There has been a great deal of interest, in other centres, shown by parents who are interested in the education facilities afforded in their particular areas.

Education is a big problem which confronts not only the municipalities and the school boards, but the individual residents, and this government. It is a major problem, not only on account of its expenditure requirements, but also because of the services which have to be made available.

One need only recall the fact that in the province of Ontario, in this coming year, as well as last, provision by way of accommodations and teachers had to and must be found for an increase of some 70,000 students per year.

A decade ago, we had some 660,000 students attending our schools. In this past year, we have had more than one million students attending schools in the province of Ontario. We have also had more than 35,000 teachers engaged in educational work and in teaching those students. Therefore, hon. members can see, from the increased number of students and teachers, and the classrooms necessary to provide the facilities for teaching, that a considerable sum of money is required year after year.

As I indicated a moment ago it is anticipated that, during the coming year, provision will likewise have to be made for a further increase of approximately 70,000 students, so great is the problem of education.

Mr. Speaker, what has the government done in regard to education? Provision this year, by way of grants and expenditures through the department, will aggregate some \$108 million, as compared with approximately \$8 million which was expended by way of grants in 1943 — some 12 or 13 years ago. That will give some idea as to the increased recognition which the govern-

ment has directed toward this one field of administration alone.

The other day I was very much interested, when reading the *Globe and Mail*, to glance through the pages of classified advertisements, and I saw there were 3 full pages of advertising for teachers by school boards. In some cases, the school boards have advertised the salary brackets applicable, in the hope, I suppose, that those with the higher brackets would attract more applicants and, thereby, secure better teachers.

There was one school board to which I wish to draw attention, not by name, but in regard to one particular aspect of the advertisement. One school board in the Toronto Metropolitan area advertised for 250 teachers for kindergarten, and all grades from I to XIII. That is but one school board in the Toronto Metropolitan area alone. From that, hon. members can deduce that education is most important. It is very important from a personnel standpoint. That is recognized by those who have the administration of education at the municipal level, by school boards and by The Department of Education, which this year is providing more than 3,000 new teachers to assist in filling the additional departmental requirements in the various municipalities.

In addition to that, last year there were some teachers brought over from England. It is possible that during the coming year, especially when the fall semester commences in September, more teachers will be brought into Ontario to assist in filling the great demand for members of this great profession.

In some of the municipalities in Metropolitan Toronto, in the past few years, it has been necessary to build 8, 10 and 11 new schools. In the case of many other municipalities, there may not have been quite so many, but new building and new construction has accompanied the great demand for additional services in the educational field.

In some cases, hon. members will recall, especially during the latter part of the 1940's, when congestion in our

schools became more pronounced, the system of staggered classes was adopted. Staggered classes did not prove too popular with many of the parents, by reason of the fact that it disrupted the meal hours at home, and also, I presume, created a problem with the children in the afternoons in respect to those who attended school in the mornings, and also in regard to those who had leisure time during the morning periods.

A suggestion which I might make in that connection is that, in lieu of embarking on a large-scale construction programme, some of our school buildings might be utilized on a staggered-hour system, with classes, say, from 8.00 o'clock in the morning to 12.30, and other classes from 1.00 o'clock to 5.30 in the afternoon. Of course, in order to accomplish that, it would be necessary to have a dual staff, as one could not expect any group of teachers to start at 8 o'clock in the morning and go through to 5 o'clock in the afternoon, under those circumstances. However, if staff were provided, the accommodation which is available at present might be used to advantage.

The other day I also made mention of some of the facilities which have been made available to, and adopted by, many of our new Canadian citizens for learning the English language, and the cultural development which we have adopted here in Canada whereby they, by a changed method of living, might be assimilated into our way of life. I am sure all hon. members are quite appreciative of the fact that while some of our new Canadian friends may have difficulty in becoming adapted to our particular type of living, so to speak, in due course they will become acclimatized and will become good Canadians and will have an opportunity of taking advantage of the educational facilities which have been provided in the province of Ontario.

At the present time, not too much has been said in regard to our higher or university type of education. A few years ago, it was said that only 3 per cent. of students graduating from the high schools continued on to the univer-

sity. Strangely enough, approximately the same percentage of students remains. However, it does represent a much greater number of students than it did 5 or 6 years ago, by reason of the annual increase in our student population in our schools.

This year, through The Department of Education, some \$25 million is being made available to universities in this province by way of grants and bursaries, for the benefit of those who wish to participate in advanced education.

Mr. Speaker, that brings me to the next matter to which I wish to draw attention, and which concerns municipalities.

In the year 1943, the approximate total amount of grants made available to municipalities was \$20 million. The amount of money to be made available by the way of grants in the coming year is approximately \$185 million. That is a 9-fold increase.

No one will deny the fact that municipalities today have a greatly increased need for financial assistance than they had some 12 or 13 years ago. It is fair and fitting that, in recognition of such a fact, those grants should be substantially increased.

Mr. Speaker, the hon. member for Riverdale (Mr. Macaulay) yesterday indicated sources of revenue to our municipalities, and he mentioned the fact that there were taxation, grants and funds to be obtained from borrowings on debentures.

By and large, these are the bases upon which our municipalities obtain funds to operate from the beginning of a year to the end.

Two years ago, the system of unconditional grants was introduced by this government on a graduated scale, from a minimum of \$1.50 to a maximum of \$4.00 per capita. Last year that amounted to a sum of \$12 million by way of additional grants.

Mr. Speaker, there have been some observations made on the suggestion that all municipalities should be paid \$1.50 or \$4.00, or whatever the amount; but should all be paid on the same basis.

In that connection, I might say that as a result of a study which was made in great detail by the former Provincial-Municipal Relations Committee, it was found that in municipalities, areas where the population was greater, the cost of welfare services likewise was greater than in those where the population was at a lower level.

I should like to make an observation on that point. Some hon. members may think this is strange, but nevertheless it is a fact: that if there to be a straight \$4.00 per capita grant to each municipality across the province, in some municipalities it would result in their receiving a grant more than sufficient for their needs, for the entire year, and they would not need to have a tax levy at all.

The situation is that the government at no time finances all municipal expenditure.

MR. OLIVER: Mr. Speaker, could the hon. member cite an example of one of those municipalities?

MR. BRANDON: I cannot at the moment, but I will come to it.

MR. R. WHICHER (Bruce): Perhaps the hon. member could give half a dozen?

HON. MR. DUNBAR: Yes.

MR. WHICHER: Mr. Speaker, the hon. member said, after considerable study, the government had decided that in the field of welfare—

MR. BRANDON: I said "the committee decided."

MR. WHICHER: Mr. Speaker, the hon. member said the committee decided that the cost in urban centres was much higher than in rural centres. Does the hon. member really feel that one should cite only a welfare field in discussing unconditional grants? Would he be able to tell the House the present cost of government per person?

MR. BRANDON: All I can say is that the cost is greater in the larger centres than in the rural areas.

MR. WHICHER: Mr. Speaker, it is greater only because there are greater services. In the streets of Toronto, the snow is removed from the streets shortly after it falls.

MR. BRANDON: Mr. Speaker, let hon. members remember that it does not make a particle of difference. If people in any municipality desire services provided for them, they must be prepared to pay for them. Nobody finds gold growing on apple trees. But it so happens that if any municipality desires to have a municipal service provided, there are ways and means whereby it can avail itself of financial assistance for construction of certain capital works, through this government. The agency I refer to is the Municipal Improvement Corporation, funds from which have been made available to municipalities at large for several years.

MR. WHICHER: You can get those from a bank.

MR. BRANDON: But not as cheaply as from the Municipal Improvement Corporation. There have been several thousands of dollars in that fund available, and have been available for many years, but a great number of municipalities have not made application for assistance. In that regard, it is a case where they have not had to. If they want to apply, the funds are there. It is entirely at their discretion.

MR. T. D. THOMAS (Oshawa): Mr. Speaker, would the hon. member permit a question? I think it would be true to say that some of the municipalities can secure a cheaper rate outside than they would obtain in the Improvement Corporation. Is that not so?

MR. BRANDON: Maybe so.

MR. THOMAS (Oshawa): They have not taken advantage of it because the rates are too high.

MR. BRANDON: I do not think I can agree with that. If any municipal corporation can obtain moneys outside

more cheaply than through the Municipal Improvement Corporation, there is nothing to prevent them doing so. On the other hand, how many municipal corporations are there which can say they have come to the government and asked for the funds they cannot get from an outside source, and they want to secure it from the government corporation, and been refused? The answer to that is it rests entirely within the ambit and control of the local municipality. I do not know of a single municipality which, of its own volition, has decided to instal some municipal local improvements which has been deprived of the opportunity, if it wanted to avail itself of it.

It has been said, during the past few years, that municipalities generally are having very hard times financing and handling some of the various types of administrative problems confronting them. The other week, I made reference to some of the problems dealing with the matter of nomination meetings, the difficulty of obtaining persons to run for council, and some of the associated problems, but, by and large, municipalities today have a reasonable amount of control over their own affairs. I know some of the hon. members opposite may say that the Municipal Board has a considerable amount of control but—

MR. WHICHER: Many of the hon. members on your side would say the same thing.

HON. MR. DUNBAR: Let him name one municipality.

MR. WHICHER: It is not polite to point.

HON. MR. DUNBAR: A place without sewers. That is the only one the hon. member can talk about.

MR. BRANDON: Let us go back to the 1930's and consider some of the municipalities which faced financial problems in those days. Let us think of some of the municipalities which found it impossible to meet their bond debenture interest payments as they became due.

MR. WHICHER: There were many of them. We know that.

MR. BRANDON: Of course. And that is the basic reason why the Municipal Board, over the years, has been given general authority to supervise many of these municipalities; that is why the supervision of the debenture debt has been exercised over the years, by the Municipal Board. I know that, by and large, they have improved considerably. Many of the municipalities, which found themselves in financial difficulties in the 1930's, today are not in difficulty. However, you know councils are very peculiar; they change from year to year, and sometimes on councils are persons who may not have too much experience, and it is very easy to endeavour to adopt certain matters of policy and ideas without knowing too much of what is ultimately involved in a particular resolution or by-law which may be proposed. So, as I say, it has been proven beneficial to the municipalities that, over the years, they should have the supervision and control which has been exercised by the Municipal Board.

I would like to say a word with regard to some matters concerning the treasury generally. One matter in particular I want to bring forward is in respect to which, I am sure, at one time or another we have all taken a certain amount of interest. We have all seen in our day persons who have died, leaving reasonably large estates, and we know that today, in respect to such estates, there is a maximum exemption granted of \$50,000, and certain conditions where the beneficiary of the estates are preferred, such as the husband or wife of the deceased.

However, there is one unfortunate circumstance, and that is the fact that if you happen to have an estate amounting to \$51,000 you not only pay succession duties on the \$1,000 over and above the exemption of \$50,000 but you pay it on the entire \$51,000. In the case of an estate valued at roughly \$60,000, an officer of a trust company advised me the

other day that the succession duty would amount to approximately \$5,000.

The recommendation I am putting forward is that not only at the provincial level, but at the federal level, there should be an exemption of \$50,000 on all estates, and that the succession duty should commence only at the amount over and above the exemption. I think that is the only fair and fitting thing to do. To many people, an estate of \$50,000 represents a great deal of money—and undoubtedly it is—but today, with the high standard of living we are enjoying in this province, when wages are high, the accumulation of an estate of \$50,000 is not impossible for a great number of people. Consequently as I say, the matter of exemption is something which is of great concern to a large number of people in this province.

In conclusion, Mr. Speaker, may I say that, by and large, the Budget as brought down by the hon. Provincial Treasurer (Mr. Porter) is one which is in keeping with the standard of budgeting which this province has enjoyed for the last dozen years or more, and may a surplus Budget for the benefit of the people of this province continue in the years that lie ahead.

MR. A. J. CHILD (Wentworth): Mr. Speaker, in rising to take part in the Budget debate, I would like to turn to The Department of Municipal Affairs and make a few comments and observations mainly concerning The Assessment Act.

As it stands today it would appear, Mr. Speaker, from information I have received that the powers of the assessor are in some cases equal to that of the Supreme Court of Canada. A number of cases have come to my attention where property owners have appealed decisions on assessments to county court judges and courts of revision, and in many cases they had their appeals justified and the assessments were set back, either by the county court judge or by the court of revision, only to find out that the following year the assessor went

right back and put the assessment to where it was originally.

This, I suggest to the hon. members of this House, is tantamount to contempt of court. The assessor can and does do exactly as he likes, and the only recourse the property owner has is to appeal the case all over again. I believe, as most hon. members of this House will agree, that can be a long and costly procedure and, consequently, many property owners cannot afford to appeal the second time. Even if they do, and win, they end up by losing, because the following year the assessor will put it right back where it was before.

I would suggest very strongly that there should be an amendment to The Assessment Act so that, once an appeal has been granted, the assessment should so remain for at least a period of 3 years. In that way, the property owner would be protected and the assessor would have more time to go about some of his other duties of equalizing assessment which is so important in our municipalities. I say the appeal should stand unless there should be a change in conditions which would warrant an increase.

I have here a very typical case that I would like to have read into the record, and it deals with two properties assessed in 1954: property No. 1, the land was assessed at \$7,000 and the building at \$6,110; property No. 2 was assessed, the land for \$9,100 and the building for \$6,205.

The above assessments were appealed to the court of revision, which heard the appeal on February 18, 1955, and the matter was reserved, and subsequently a decision was rendered reducing the assessment on property No. 1 by \$500 on the land and \$410 on the building, and on property No. 2 by \$775 on the land and the assessment on the building was confirmed.

This was sent to me by a firm which was acting for one of the property owners.

A further appeal to a county court judge was taken by our client and the matter came on for hearing before

Judge Denton on September 13, 1955, but the township had taken the position that details of comparable assessments were confidential and when the matter was reached, the judge directed that they give us the information required and the hearing was adjourned.

Full information was then given by the township officials, and on October 17, 1955, the matter came on again for hearing and the judge spent the whole day on these two assessments and did a personal inspection of the properties involved, and of comparable properties in the same area which could be used for a standard of comparison.

In the result, the judge reduced the assessment on property No. 1 to \$5,000 on the land and to \$4,500 on the building; on property No. 2 the assessment on the land was reduced to \$6,500 and on the building to \$4,100. This judgment was given by the judge on the date of hearing, i.e. October 17, 1955.

About the end of October our client received a notice of the assessments placed on these properties for purposes of the 1956 taxes. Property No. 1 was assessed for \$5,500 on the land and \$6,500 on the building; property No. 2 was assessed for \$9,545 on the land and \$5,300 on the building.

These assessments were again appealed and on property No. 1 the assessment was reduced by the court of revision to the figures fixed in October by the county court judge and on property No. 2 the assessment on the land was reduced to \$8,510 on the land and to \$5,000 on the building.

In connection with the assessment on the buildings, in fairness we should mention that, owing to Scarborough being included in the Metropolitan area, some changes were being made in the system of assessing buildings. However, in connection with the assessment of the land, the same reasoning would not seem to apply.

In connection with the two appeals on the 1954 assessment for the 1955 taxes, our client went to a very great expense in preparing data as to assessments of comparable properties, and employed Mr. George A. Lister to prepare information for the court and also employed him to give evidence as an extra witness. In all he spent, I believe, the equivalent of some 8 or 9 full days on this matter, and I spent considerably more than that amount of time.

If reference is made to the land assessments, it would seem that on property No. 1 the assessor had restored the land to an assessment only \$500 below the original assessment which had been reduced on the appeal and \$1,500 over the amount as determined by the judge after a very protracted hearing. If reference is made to the land assessment on property No. 2, it would seem that the assessor increased the land assessment by an amount of \$445 over the original assessment which had been placed in 1954 for 1955 taxes and \$2,945 more than the amount at which it was assessed in October 1955 by the county court judge.

It seems most unfair that after an assessment has been reduced on appeal after a full hearing the assessor should be able immediately afterwards to increase the assessment to substantially the amount of his original assessment which had been found to be in error. It will also be appreciated that in such cases as the present one, the costs of an appeal are away out of proportion to the amount of taxes involved in any one year, and that a taxpayer should not be compelled to appeal year after year in order to keep an equitable assessment.

These are typical cases where people have won their appeals and the assessor comes right back and says: "I do not care what the judge says, I am not interested the least bit in what the court of revision says, that is my decision and you cannot do a thing about it," and he "gets away with it." Under the

present Assessment Act he can go on doing it as often as he likes. In some cases, a property owner may be in a financial position to go on with these appeals, and just before coming into the House I received a telegram in regard to some properties in Southampton, and the same thing has happened up there; the furniture factories won an appeal and the assessor says, in effect, "I do not care, I have no intention of doing anything the court says, back go the assessments."

All those people can do is appeal all over again but, supposing they do appeal again, it will not do them any good except for the one year, and they will probably spend more in costs than they save on the assessment. It is a vicious circle. Today, if you want to break even, you just take what the assessor says and "let it go at that."

I also believe that clarification of the term "land" should be considered. The interpretation at the present time is too broad and there is actually no clarification as to what the assessor can assess on land. He can, under present legislation, make assessment on practically anything he desires, including fences, sidewalks, roadways, signs, pumps or even steel columns—in fact, almost anything—and the people have to abide by it. Even county court judges, or the court of revision in this particular case, has no jurisdiction whatever over what the assessor claims to be assessable. I think a little tightening up, and a little clarification of the term, to give the property owner a little more protection against decisions rendered by assessors, would be in the interest of the majority of the property owners in the province today.

I would also like to make a few remarks and observations regarding the handling of diesel oil. Recently I received information to the fact that the government is being taken for the proverbial ride by some members of the trucking industries that operate diesel equipment.

At the present time truckers do not pay tax on diesel oil when they make a

purchase at the pumps. The service station operator takes his licence number and later forwards a statement to The Department of Highways with the number of gallons purchased by the trucker.

However, my information is that some transport companies will refuse to purchase their fuel oil from a service station if it reports the total number of gallons purchased. If the service station agrees to "go along" with the trucker, the government loses the tax on the oil not reported. If he does not co-operate with the trucker, of course, he loses his diesel oil business.

I also understand that some truckers are now purchasing fuel oil in 45-gallon drums, and using it to operate their diesel trucks, and so evade the government road tax on gasoline paid by the honest truckers.

The majority of truckers and transport companies in Ontario are paying their way, as far as taxes are concerned now that the new licence tax is in effect; but there are operators using diesel equipment which are "taking us for the well-known ride." Not only are some of them evading the diesel oil tax altogether, but diesel equipment has become far more efficient in the last few years, and trucks are now getting greater mileage out a gallon of fuel oil, so that even those who do pay the tax are still not paying their fair share, as compared to the tax collected on gasoline-operated trucks. Diesel equipment is usually much heavier than the ordinary transports, and of course, do more damage to our highways, particularly to the county and township roads which were never built to stand such heavy loads.

I would suggest to the hon. Minister of Highways (Mr. Allan) that an immediate check be made of all companies or truckers operating diesel equipment licenced in the province of Ontario. An experienced truck mechanic can tell reasonably closely, after inspecting a truck, how far it has travelled, without looking at the speedometer. Then it is a simple matter to check the records, and find out how

much tax the trucker has paid. Knowing the mileage travelled, and the mileage obtained on a gallon of fuel oil, it is a simple matter to find out if the trucker has been operating with tax-free diesel oil.

For those caught evading the tax on diesel oil, I would suggest that their licences, including the PCV licence—if they have one—should be cancelled for 6 months to one year, depending on how many miles they have travelled tax-free on our highways.

To avoid further diesel oil tax losses, I would respectfully suggest to the hon. Provincial Treasurer (Mr. Porter) and the hon. Minister of Highways that taxes should be increased to make it more comparable on a mileage basis than the 11 cents per gallon now collected on gasoline, and that it should be collected at the pumps in the same manner as the gasoline tax is collected. Any person eligible for tax rebate may write into the department, supplying receipts in the same manner farmers do at the present time for tax rebate on gasoline-operated farm equipment.

There is another matter upon which I would like to make a few remarks at this time, which I believe concerns all of us, and that is “safety.”

The department has for a number of years been using a white centre line on our highways, and for a very brief period the white line was extended to the shoulder line on both sides of the highway on a small section of the Queen Elizabeth Way. However, it now appears that the use of the white shoulder line has been discontinued entirely. I do not know about the other hon. members, but personally I received a considerable amount of favourable comment when the white shoulder line was being used.

The right hand white line helped to eliminate guess work when driving at night. I believe most hon. members have been in the position on more than one occasion of feeling our way along an unfamiliar two-lane road on a rainy night. Glare from approaching headlights makes it difficult to get one's bearings; if one hugs the centre line,

one takes a chance of being “side-swiped”; if one bears to the right, one may run off onto the soft shoulder.

The white shoulder line tends to improve the side-by-side position of cars, and to produce a more uniform driving pattern. The shoulder stripe, by indentifying the otherwise obscure edge of the pavement, moves traffic away from the centre line, and avoids “side-swiping” accidents.

Two white sets of lines, whether broken or solid, tend to keep the driver more alert at night, and perhaps even may save his or her life.

From information I was able to obtain from the United States, I find that there are now 22 states using the white shoulder line. Recently, President Eisenhower's Committee for Traffic Safety recommended the plan for study by the Joint Committee on Uniform Traffic Control Devices.

Now the point, Mr. Speaker, I would like to bring to the attention of the hon. members of this House is that we in Ontario had this in effect 2 or 3 years ago, but have now discontinued it.

I realize the white line may be difficult to maintain, particularly in bad weather, but I am also sure that many doctors have a difficult time keeping some patients alive after accidents which a white shoulder line might have prevented.

While on the subject of “safety,” I could not let the opportunity pass without making a few more comments on my favourite subject of “safety belts.” No doubt many of the hon. members saw this full-page advertisement in their local papers this week, advertising the use of safety belts by the Chrysler Corporation in their new 1956 Forward Look models, as optional equipment. I understand it is a national campaign. This of course is truly a forward step, and now proves that the automobile industry is “sold” on the value of safety belts.

The full-page advertisement has for its title, “Never Before Has Motoring Been So Safe.” In that advertisement, the Chrysler Corporation shows a

youngster strapping on a safety belt. I think the title speaks for itself so far as this advertisement is concerned. It says, "Never Before Has Motoring Been So Safe," and I think that is quite true—provided of course, that the safety belt is used. It is being used in the picture, but whether it is used by many people in the province is somewhat doubtful.

MR. ALLAN GROSSMAN (St. Andrew): Mr. Speaker, would the hon. member permit a question? Does that advertisement show what to do with these safety belts when they are not in use?

MR. CHILD: No, it does not.

MR. GROSSMAN: I would inform the hon. member that I have one of them in my car, and if the manufacturers were serious, they would find something to do with them when they are not in use. The reason they will not become universally popular is because they get all tangled up when not in use.

MR. CHILD: To the hon. member I would say that I have them in my car. When the car is parked, I do not think what to do with them is any problem, and when the hon. member is in the car, he should put them on.

MR. GROSSMAN: Does the hon. member use them in the city?

MR. CHILD: Yes, very much so. My wife would not even drive to the drugstore without putting it on, and the youngster would not think of it either. Even at a speed of 30, or even 20, miles an hour an accident can happen which could drive one through the windshield, and the safety belt definitely prevents that. There are ample records available to anyone who would like to make a study of that point. That information can be made available through Cornell University. The doctors in the United States are strongly recommending safety belts.

MR. GROSSMAN: Is the hon. member glad now that I asked him that question?

MR. CHILD: Yes, I am.

MR. J. YAREMKO (Bellwoods): Mr. Speaker, on a point of information, as the hon. member has that particular advertisement in front of him, would he bring this point to the attention of the House? I think that in paragraph 6, the second brake is illustrated in the advertisement. Would the hon. member put the information regarding that second braking system before the House?

MR. CHILD: Yes. It says that the independent hand brake gives you the added safety of a second braking system.

MR. YAREMKO: That just brings it to the attention of the House.

MR. T. D. THOMAS (Oshawa): What make of car is that?

MR. CHILD: It is a Chrysler, the car with the "forward look." I suggest that it starts people thinking, at least.

MR. THOMAS (Oshawa): It has a bad name in Oshawa.

MR. CHILD: General Motors is making a study of it, because the Ford Company has done so. A year ago, they considered it a "horrible mess of straps," but now it has become a safety feature in sales promotion. That shows how big business can change its mind.

MR. THOMAS (Oshawa): The hon. member knows that 3 of them were opposed to it when we were down there. The hon. member has convinced at least two of them.

HON. A. K. ROBERTS (Attorney-General): Mr. Speaker, would the hon. member say whether that particular belt is attached to the door, that is, the outer belt?

MR. CHILD: No, it does not say. There are two schools of thought on that. Personally, mine is attached to the door, so that the door cannot fly open. Another idea is to have it attached to the frame through the floor, and not attached to the door. Cornell University spent \$200,000 on a survey on this—for the Mutual Insurance Company of Boston, and for the automobile companies. When the automobile companies make a statement on safety belts, they must have spent a great deal of money and time considering it.

HON. MR. ROBERTS: Mr. Speaker, where the belt is attached to the door, there is a little slit in the door further up to catch it, and that does away with it becoming a nuisance.

MR. CHILD: Mr. Speaker, I am very pleased that the hon. Attorney-General is so well informed on safety belts. It ties in with what I have said. That provides some information for the hon. member for St. Andrew on what to do.

MR. GROSSMAN: I cannot do that. In my case it is attached to the rear seat.

MR. CHILD: I will be happy to ask the hon. member to come out and I will show him how the safety belts are installed on my car.

On Monday of this week I was very pleased to read an article in the *Toronto Daily Star* which quoted the hon. Attorney-General at the opening of the *Star's* Safety Campaign and I would like to read part of that article. In his reading of fatality reports he (meaning the hon. Attorney-General) has been deeply impressed by the lethal qualities of cars themselves.

"It's frightening how many people are killed because their car doors come open and hurl them out like a projectile," he said. Brought to the subject when he noticed safety belts in the *Star* car, he gave his views on fatality prevention after accidents.

"If they aren't thrown clear they are smashed like eggs against the dashboard, slashed by the windshield or skewered on the steering wheel."

Even such seemingly innocent features as arm rests, door handles and rear-vision mirrors wreak their havoc, he has found.

"I believe a prominent surgeon in the U.S. has reported that something like 70 per cent. of the injuries suffered in auto accidents are to the head. He and his fellows are appalled by the flood of fractures, as any sensible person must be."

In consequence of his alarm at accident reports he has noted with favour the trend towards safety belts, steering wheels that give instead of breaking, padded dashboards, doors with safety locks and recessed fixtures, provided drivers do not think this gives them licence to drive carelessly.

This, of course, leads me to believe the hon. Attorney-General is now somewhat in favour of seat belts and safety devices in automobiles, and that they can play a very important part in preventing fatalities and injuries after accidents.

I do not know how much support is required to have legislation enacted which would make safety belts mandatory on autos, licenced in the province of Ontario, or what information or proof is required, before the hon. Prime Minister (Mr. Frost) and the hon. Minister of Highways (Mr. Allan) will support such legislation, but I do suggest that seat belts can play a far more important part in reducing injuries and fatalities, in this province, than directional signals, which are now mandatory on all new 1956 cars.

The Select Committee on Highway Safety recommended in its report that a Highway Safety Department be established, administered by a director, who shall have the rank and status of a Deputy Minister, and that a safety section be empowered to employ engineering experts when required, to test

automotive equipment, from a safety standpoint, and make suitable recommendations to the director. It further recommended the advisability of requiring that there be referred to this section, at the earliest opportunity, the advisability of requiring the installation of safety belts in future on all motor vehicles.

I submit, Mr. Speaker, that, had that department been set up as recommended by the committee, it could have obtained sufficient proof to convince even the most skeptical that safety belts have a definite place in our safety campaign, together with many other safety devices such as padded dashboards, and steering wheels which give under pressure, instead of breaking and perhaps piercing the driver's body.

I have here an article, Mr. Speaker, which I believe is worthy of note, taken from the Brantford newspaper, which the hon. member for Brantford (Mr. Gordon) gave to me. The article reads:

Safety belts will be optional equipment on the many 1956 model cars, but until they cease to be optional and their use is made compulsory by law in all over 30 mile-per-hour zones, there seems little hope of the lowering of injury and death rates in crashes.

That, I submit, Mr. Speaker, also sums up my thinking.

Mr. Speaker, I would respectfully suggest to the hon. Prime Minister that the very important recommendation of the committee, to set up a Safety Department to investigate safety devices, should be put into effect at the earliest opportunity. I suggest that the "earliest opportunity" is now.

That action, together with the wonderful campaign put on by the hon. Attorney-General, in his crusade for safety, could make a tremendous difference in the number of fatalities occurring on our highways.

Mr. Speaker, in closing my remarks, I wish to deal with a newspaper clipping taken from a Hamilton paper, dealing

with remarks attributed to the hon. leader of the CCF (Mr. MacDonald). I am sorry he is not in his place at present, although two of his colleagues are there.

It was published on February 27, following the hon. member's "mud-slinging," "rabble-rousing," and misleading speech he made in Hamilton.

MR. THOMAS (Oshawa): Mr. Speaker, is the hon. member referring to hon. members of this Legislature as "rabble"?

MR. CHILD: No, sir. I said it was attributed to the hon. member's speech, after his "rabble-rousing." In regard to the leader of the CCF, the hon. member for York South, I certainly would not attribute anything he said to any other hon. member. I have too much regard for the other hon. members. The only thing for which I am sorry—and this is only a personal observation—is that the hon. member for Oshawa, whom we admire so much, has to be associated with the CCF. I realize that he cannot choose his political bedfellows. It is unfortunate.

MR. THOMAS (Oshawa): The hon. member should leave that out.

MR. CHILD: Mr. Speaker, according to the report in the *Hamilton Spectator*, the hon. member for York South said:

Today's reform institutions are prison hovels out of the pages of Charles Dickens, "dirty dungeons" and "places of human storage."

Mr. Speaker, since that time, the hon. member wrote a letter to the *Hamilton paper*, which was published in a not too conspicuous space in the paper, and said he was misquoted, as far as that was concerned. However, I find, generally speaking, from the observations he made at that particular meeting, although he may not have used those actual words, he did use them in connection with a comparison. He goes on to say in his letter:

At one point in my address, I was describing the dungeon conditions of prisons in Britain more than 100 years ago—conditions which provoked Charles Dickens into writing some of his classic works.

That indicates pretty well his thinking along those lines. It also indicates the point he was trying to “get over” to the people in Hamilton.

Apparently, he is very much of a believer, as Hitler was, in the idea that if you tell a lie often enough, the people will accept it as the truth. Apparently he does not believe that our institutions today can reform anybody.

Mr. Speaker, I would like to go on record as citing a case here, and I will be very happy to cite it to the hon. member for York South if he wishes, although I am sure the boy's family would not want it published.

A boy was sentenced to 12 months definite and 6 months indefinite, convicted of armed robbery. He was a very belligerent boy, not too happy with society, and society was not too happy with him. He has been in one of our institutions now for approximately one year. His attitude has completely changed. He has taken a course in electronics and I understand that his last 3 marks were 100, 96 and 95. He has been offered a job in one of our firms in Hamilton, in their television department. I believe that is a pretty good indication as to what can happen in our institutions today. I submit that is what does happen in, by far, the majority of cases. If a boy wants to change his attitude, I suggest that he can accomplish just about anything in our reform institutions, and in our training schools.

It is very difficult sometimes to change a boy's attitude. Here is an excellent example, and I know there are many others, where boys do come out much better than they went in. This is the kind of case the hon. member for York South should be telling the people about, instead of bringing up an isolated case of a boy who may not have improved.

I suggest the reason a boy may not want to improve is because he is, in his own mind, anti-social, and no matter what we or anyone else may do, and no matter what type of reformatory we may have, and no matter what we may offer to him, he will retain the same attitude.

I believe The Department of Reform Institutions is doing a very good job and any time the hon. leader of the CCF Party would like to leave here for an unannounced destination, I would be very happy to drive him, and permit him to visit any of our institutions, and prove to him that the statements he has been making are completely false.

MR. E. P. MORNINGSTAR (Welland): Mr. Speaker, in opening I would join the other hon. members in extending to you my congratulations on your elevation to the office which you hold, and I want to commend you for the fine job you are doing in carrying out your duties.

Since I last spoke in this House, many changes have occurred. Our great leader, the hon. Prime Minister, was given an overwhelming vote of confidence by the people of Ontario. Our people have spoken in recognition of the progressive policies his government sponsors. He is fulfilling the needs of all our people through the various fields of government endeavour. On behalf of my own people, I wish to express gratitude for his fine leadership.

A marked change has taken place in the composition of this House. We have a larger Legislature, with 98 members, and 22 or 23 new faces. I am sure the hon. new members, through their own special knowledge, will make a fine contribution to the affairs of this province.

A number of Cabinet changes have also occurred, and I would like to say to our first Minister, that they are all “to the good.” In the hon. Minister of Public Welfare we have a man who has adopted a forward-looking approach to this important work. I am confident that, as he becomes more familiar with the operations of his department,

he will be advancing new measures to assist individual persons in need. He is adopting a most sympathetic and understanding attitude.

The new hon. Minister of Municipal Affairs will undoubtedly bring fresh views to the municipal field. He has had wide experience in governmental activities, and the municipalities will appreciate his patience and willingness to assist them. It is a very great pleasure to see the hon. Provincial Secretary in that familiar portfolio. I can say he is the friend of every one in this House.

The hon. Attorney-General, the Vice-Chairman of the Hydro Commission, and the hon. Minister of Planning and Development will, I am sure, all make significant contributions in their newly-appointed positions.

The continuing expansion in the prosperity of this province is a mark of good, stable and far-sighted government. The past year has truly been an amazing one from the viewpoint of industrial production. The riding which I have the honour to represent in this House is, of course, not the only one to have benefitted from the results of the labours of all our people. However, I can see nothing but the greatest future for Welland and the surrounding area. I am quite convinced that in the Niagara district we are building one of the greatest industrial and production centres on this continent.

Expansion and growth, in many directions, continues in impressive fashion in the municipalities in the Welland riding.

At Port Robinson, near Welland, the Goodrich Rubber Company will build a \$3 million chemical plant for the production of plastic resins.

An early start is anticipated on a new refinery for Falconbridge in the township of Humberstone.

In Port Colborne, International Nickel Company has erected a mammoth new warehouse, and it is believed this is only the beginning in a major

expansion plan for this great industry at the mouth of the ship canal.

There are no substitutes for iron and steel. They are irreplaceable commodities. The manufacture of steel products, alone, is a tremendous operation requiring many skilled hands. Hon. members all know the vital need for oil and natural gas, and I do not have to remind the House that these natural resources must be brought to us by way of pipe lines. The hon. members may be interested in knowing that the pipe which was used in the oil pipe line project was manufactured by the Page-Hersey Company located in Welland.

One of the most significant Canadian industrial developments is taking place in Crowland, where the nation's first "big inch" pipe mill will be erected and will be operated jointly by the Page-Hersey Company and the Steel Company of Canada. This will mean that pipe line business, which formerly went abroad, will be handled in Canada by Canadian workmen. It is a \$10 million project.

In Welland, Atlas Steels Limited has formed a subsidiary firm to handle the increasing demands for titanium metal. New furnaces have been installed by the Electro Metallurgical Company and the city has acquired a new industry in a subsidiary of the well-known Whiting Corporation, of Harvey, Ill., manufacturers of heavy industrial equipment.

Imposing new additions are expected this year to Welland's mercantile section.

The year will also see the launching of a campaign to raise several million dollars for the construction of a new county general hospital.

Soon to be opened is the 80-bed convalescent wing of the home for the aged, being built at a cost of \$550,000.

A new high school will be built in the Fonthill district at a cost of \$750,000. A new addition to the Welland High and Vocational School was recently completed at a cost of \$500,000. Crowland Area One opened a \$76,000 school, and a 12-room school costing \$261,000.

The city of Welland will be proceeding with construction of new municipal buildings, and may once more ask the ratepayers to approve the construction of a new city hall, at a cost in the neighbourhood of \$400,000.

Religious activities have kept pace with other developments in the Welland riding. St. Elizabeth's Catholic Church was opened last November in Wainfleet. The Greek Catholic parish of the Holy Ghost recently turned the sod for its new church. Knox Presbyterian Church, Welland — \$100,000. Sacred Heart parish in Welland will this year build a new church at a cost of \$400,000.

In November last the hon. Minister of Highways (Mr. Allan) visited the riding to open the new \$800,000 highway between Welland and Port Colborne. Eventually it is hoped that this new artery will be continued north from Welland to join the Queen Elizabeth Way and provide a new road to St. Catharines and district.

I would just like to mention the wonderful co-operation that the provincial government has received from the federal government in making this road possible because I understand the contributions were on a 50-50 basis.

At this time I feel that I should mention the increase in traffic that we have in the riding of Welland. I am very pleased that the hon. Minister of Highways is in the House to hear these figures.

Social service, too, is on the increase. After a modest beginning only 3 years ago, the Welland unit of the Canadian Cancer Society has started the "Little Red Door" service in Welland. Public education and practical helps for cancer patients are a direct result.

Welland's newest service club is the Sertoma Club, which elected "Andy" Rady as its president. Crowland has recently formed its own Optimist Club. Like other Optimist Clubs, it directs its energies toward helping boys. Rotary, long noted for its service to crippled children, has a new club in Port Col-

borne. The Welland Rotary is planning a "painting bee" to help out at the Lakewood Camp for crippled children on Lake Erie. This club so far has given \$10,500 to the camp.

In Fonthill, community-minded citizens, led by Mr. R. H. Davis, president of Atlas Steels Limited, have offered a two-storey building with the land for a community youth centre.

Always a leader in brotherhood work, Welland-and-Crowland was the first chartered chapter of the Canadian Council of Christians and Jews. In February, Rev. "Dick" Jones, organizer of the Canadian Council, addressed many groups in Welland.

Farmers in the area were given a boost in obtaining a licence to form the Frontier Milk Producers Co-operative Limited (to be officially opened March 21).

An example of labour-management good will was the appointment of Mr. A. A. Schmon, president and general manager of the Ontario Paper Company at Thorold, as an honorary member of the American Federation of Labour. It cited his "fair and just approach to labour problems."

Included in the area which I represent there are 4 townships with a solid agricultural background. We are traversed by the Welland Canal, one of the world's greatest man-made waterways, which will assume an even greater importance once the St. Lawrence Seaway project has been completed. This affords a considerable amount of employment. But, it also makes for one of the worst bottlenecks, insofar as motor traffic is concerned. There are several points where corrective action, by way of tunnels or bridges, must be taken, and in the not-too-distant future. I do not envy the job of the hon. Minister of Highways in battling with the federal government on this most important matter.

The enormous and costly Burlington bottleneck, which is being cleared up in a realistic fashion, is but one of such projects affecting the Niagara Penin-

sula. I have faith in the diplomacy, the sound business experience, the vision and the ability of the hon. Minister of Highways, and I feel sure that before too long he will be able to accomplish for our district what obviously must be achieved.

Welland County has three international entrances funnelling motor traffic through the Welland area and the traffic count on these bridges is as follows:

I would also like to give you the freight tonnage on the Welland Canal for the years 1945 to 1954:

1945	-	12,962,332 tons
1954	-	17,514,258 tons
Increase in 10 years	-	4,551,926 tons

The reason I am giving these figures is to show that we really need tunnels under, or bridges over, the Welland Ship Canal, to alleviate the traffic congestion.

	<i>Peace Bridge Fort Erie</i>	<i>Rainbow Bridge Niagara Falls</i>	<i>Whirlpool Bridge Niagara Falls</i>	<i>Total</i>
1945.....	1,522,061	697,240	483,289	2,702,590
1954.....	3,527,048	2,391,408	1,077,257	6,995,713
Increase	2,004,987	1,694,168	593,968	4,293,123

The figures shown cover both incoming and outgoing traffic which bridge authorities estimate at 50 per cent. in each direction and they indicate an increase of 158.85 per cent. over the 10-year period.

While it is not logical to assume that all traffic passing through these ports of entry will of necessity be crossing the Welland Canal, it must be admitted that a fairly large percentage does so and the increase will be reflected proportionately over the canal bridges and that in all probability this increase will continue.

I would like to give the increase in the traffic over the Welland Canal; the annual average daily traffic is as follows:

In my part of the province we have a great concentration of the labour force—both men and women. They are employed, for the most part, in the many great industries which dot our whole countryside around Welland, Thorold, and Niagara Falls. These are important industries, vital to Ontario, to Canada, and to our whole economy. They are abundant and visual proof that, given adequate transportation facilities, adequate access to raw materials and to markets, a skilled and willing community of working men and women, with nearby cheap, abundant, dependable electric power, we have all the factors which make for a great industrial community; and that is what we have.

<i>Location</i>	<i>Year</i>	<i>AADT</i>	<i>Increase</i>
Hwy. No. 3, east of Port Colborne	1946	990	
	1955	2,940	1,950
Hwy. No. 20, Allanburg	1946	1,700	
	1955	5,890	4,190
Hwy. No. 58, south of Thorold	1946	2,100	
	1955	6,400	4,300

I might add that no single factor has contributed more to the great and growing importance of the Niagara Peninsula than the tremendous Hydro developments along the Niagara River. I am mentioning these developments to express my unbounded optimism for the future, as well as in the present.

My attention was drawn the other day to a pamphlet issued by The Ontario Department of Public Welfare. I hope that every hon. member of this House will take the trouble to secure a copy, and spend 5 minutes in reading it. It is entitled *Welfare Services in Ontario* and it gives, in very brief form, a vivid picture of what this province is doing, through a great service department, to help those who need public assistance, in one form or another, on a temporary or permanent basis.

In the development of our welfare programmes we are striving to make sure that poverty will not be permitted to exist. It was not so long ago when great hardships were endured by some of our people. The term "social security" was virtually unknown. People who were in need relied very largely on private charitable or church organizations, or simply had to "pull in their

belts" very tightly. Conditions, of course, have changed markedly. We are now giving public assistance to a very large number of our people, and this despite the fact that employment conditions are almost as favourable as we might expect them to be.

Mr. Speaker, it being 3 of the clock, I move the adjournment of the debate.

Motion agreed to.

Hon. G. H. Dunbar moves the adjournment of the House.

MR. OLIVER: Mr. Speaker, could the hon. Minister suggest what is going to happen on Monday?

HON. MR. DUNBAR: If the hon. Prime Minister returns, we will proceed with Bills, if not we will continue with the debate on the Budget.

MR. THOMAS (Oshawa): Is there likely to be a night sitting on Monday night?

HON. MR. DUNBAR: No, not on Monday night.

Motion agreed to.

The House adjourned at 3 of the clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Monday, March 12, 1956

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

MONDAY, MARCH 12, 1956

3 O'CLOCK P.M.

And the House having met.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of Bills.

Orders of the day.

HON. L. M. FROST (Prime Minister): Mr. Speaker, may I advise the House that I have found it necessary to make a change in the order of business I announced last week. I suggested last week that the Committee on Health would meet on Tuesday, Wednesday and Thursday of this week. It would appear necessary for that committee to meet at 10 o'clock on Wednesday and Friday of this week, instead of the days I previously mentioned.

The reason for the change is that there are delegations coming here on both Tuesday and Thursday, as a consequence of which a change in the days of meeting of the committee should be made.

Mr. Speaker, I would like to advise the House there will be a night sitting tomorrow, that is, Tuesday night. If subsequent night sittings are necessary, I will advise the House accordingly.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Speaker, we have a meeting of our Party arranged for tomorrow night and I do not know how we can arrange to change it now.

HON. MR. FROST: Mr. Speaker, if that is the case, we will try to make other arrangements.

OTTAWA CONFERENCE

HON. MR. FROST: Mr. Speaker, I should like to say something very briefly in relation to the Federal-Provincial Conference which was held in Ottawa on Friday last at 10 a.m.

I am sure the House would expect me to say something about that conference and also about another matter which I discussed with the hon. Prime Minister of Quebec on the same day.

Mr. Speaker, while I refer to this gathering as a "conference", it never in the few hours of its duration assumed that proportion. It never reached the stage of being a conference. It was merely a time and place to announce that further discussions would be of no avail and that the federal mind was made up.

This is not the time to discuss in any detail the federal-provincial position, and the problems which face this province as a consequence. I shall discuss that matter later in this session, I hope, and, of course, during the course of the special session to be held later this year.

It is sufficient to say now that, in the 1945 conference, the provinces were faced with much the same attitude as on March 9, 1956. Despite the protestations of most of the provinces at that time, that the proposals were basically unsound, the federal government took a very adamant position, and sure enough, they were found to be unsound. There is now the unanimous acknowledgment by 11 governments that basically the proposals of 1945 were unsound and unrealistic. I do not think that today—and this was one of the things which would impress one at that conference—there is one government which would want to revert to the proposals, that is, the basis of the proposals, as they were presented to us in 1945. I am not speaking about the dollar value but I am speaking about the basis of the proposals.

Mr. Speaker, in 1950 new proposals were made, and at that time I represented the province of Ontario as the head of the government. New proposals were made which recognized the contention of certain of the provinces, including the province of Ontario, that any formula should be related to actual tax returns within the particular province. That was acknowledged—not satisfactorily effected, but it was acknowledged—in what came to be known as the “Ontario Formula,” the formula under which we have operated since 1952.

This formula was accepted by Ontario, but with strong objections from this province. The proposal was accepted because it was the only way in which Ontario could share in the personal income tax field. Ontario in 1950—from 1950 until 1952, when we entered into an agreement with the federal government—contended for almost identically the same formula as is now being proposed by the federal government today. I am speaking of the formula, not of the assessment to be made under the formula. The present formula is that for which we have been contending for 10 years, and it has finally been accepted in this form. But the assessment is another basic problem, and that is what I wanted to make clear to the House

today. As I have said, I am speaking of the formula, not the assessment to be made under the formula.

From 1947 to 1952, this province received no share of personal income tax. I have always felt that this province, and also the province of Quebec, was unfairly treated in that regard. We stayed out of the agreement at that time. For what the province contended was so right that it received more from the other two fields of corporation and succession duty taxes than it would have received from the whole proposed federal rental. In 1952, in presenting the federal proposals of 1950 to the House—in October, 1952—I pointed out that they were a “stop-gap”, that they were not satisfactory, but they were the best we could do. It is obvious that the proposals made on April 26, 1955—which are the ones we are considering today—are a complete reversal of the federal position of 1945 and 1950, which was strongly advocated as being the most fair and most logical position. Again, Mr. Speaker, I say that the provincial position has been justified, and the federal position in both of those years has been proven to be wrong.

On April 26, 1955—just about one year ago—the new proposals were made, and I will use the words I used at Ottawa, and which I have used elsewhere, that these proposals, which permit at the option of each province, direct participation in their 3 traditional fields of taxation are infinitely more satisfactory, and more realistic, than the proposals of either 1945 or 1950.

I said before, as I said at the meeting last Friday, that with a proper and realistic assessment of provincial needs, they can provide a satisfactory remedy to the problems arising from the occupancy of these fields by the two levels of government. May I say that, after 10 years, what has been contended for by the provinces of Ontario and Quebec has now been accepted.

As I have pointed out, what we are dealing with now is the assessment of need under this formula. With this, the people of Ontario cannot be anything else but gravely concerned, and I say

this now, as it was proved, the federal government and federal thinking was wrong in 1945 and was wrong in 1950, and that has been acknowledged. I assert that in this remaining fundamental matter of assessment, they are wrong and unjust to this province, and that will be acknowledged in the future, as have the other two errors. I make that prophecy now, Mr. Speaker, on this 12th day of March, 1956, that it will be acknowledged that it is wrong now, as it has been wrong on the other two occasions.

MR. MacDONALD: Beware the Ides of March.

HON. MR. FROST: May I now refer to one or two statements, which the hon. Minister of Finance, Mr. Harris, made to the conference, which, of course, have been widely reported in the press on Saturday, and I presume today. He used such expressions as these in referring to federal occupancy of these fields. I take this quotation from his own manuscript, which he gave me, and the first statement was this:

This, I assure you, is the practical limit of our capacity in these fields and at this time.

The second statement was:

If we were to raise the standard rates and lower the level up to which we would equalize, we would find it impossible, except at a quite unacceptable cost to the federal treasury.

Then the third statement was:

We cannot at this time make any further material concessions that would adversely affect our revenues.

These are 3 statements which I have taken from his remarks on Friday.

May I point out, Mr. Speaker, that this is a completely wrong appraisal of the situation. These direct tax fields of personal income tax, corporation tax and succession duties are the fields of the provinces as much as they are those of the federal government. That is fundamental. There is no necessity to buy us

out, or pay us out of the fields which are ours. They are our fields, as much as they are theirs. The province and the government have equal rights in those fields.

And here is where the trouble and the wrong thinking comes in. In the wartime days, the federal government "elbowed" us out—and I say that advisedly, and I think the hon. member for Brant (Mr. Nixon) will agree with me that the province was "elbowed out," as he was a member of Ontario's delegation at that time, and he will agree there was no other option. The provinces were "elbowed out" because of national necessity; the provinces were "elbowed out" from those fields in which they had an equal interest, and now when it comes time to give them a realistic share of those fields, the federal government speaks about the "cost to them," and about "the effect on our revenues," to give to the provinces what justly belongs to them. It is not buying something; it is something which belongs to the provinces and their municipalities, as well as to the federal government. It is a strange attitude to say that it costs them to give to the provinces what belong to them, and what they should have, and what is necessary under our Constitution, for them to carry on their business. There is the point of issue—right there. This attitude is wrong, and it will be acknowledged to be wrong, in the days to come.

May I now make one or two comments to this House, Mr. Speaker? The first is that Ontario has not complained about adjustment grants being made to the other provinces. I have made clear time and time again, that the other provinces require adjustment grants in order that they may provide services to their people up to a reasonable standard. As a matter of fact, today I quite acknowledge this. I do not think the other provinces are being treated with any great generosity at all. I think my colleagues who were with me on Friday will acknowledge that. It is very difficult to see how British Columbia can carry on with no increase whatever in the amounts they are receiving, and British

Columbia is a high-cost province. I say today, as I said at the conference on Friday, that the people of Ontario would like to see Nova Scotia and New Brunswick, in fact, all the Maritime provinces, dealt with more generously. I am not at all complaining about the adjustments made to the other provinces.

However, Ontario is complaining about the justice being accorded to this great earning province, where we have a concentration of the problems of Canada, and with the large percentage of industry in this province. Representatives of several great municipal bodies in this province were with me last October, and they know we were fighting the cause of our municipal taxpayers, who are overwhelmed by cost of education and services which are a direct result of the industrialization of this province, from which stem not only the revenues, of which the federal government is taking the lion's share, but also the problems which are left to the province and the municipalities to service with what little money is left. That is where the injustice comes in.

A comparison between the proposals is this—and I put it frankly before the House today—the federal government offers:

(a) On personal income 10 per cent. of federal income tax liability. Ontario asserted that 15 per cent. would be realistic.

In British Columbia, they asserted 20 per cent., but it must be said, in all fairness, that in British Columbia they were levying what would be equivalent to 20 per cent. in the days before they left the field, in 1942.

(b) On corporation income the federal government offers 9 per cent., which is 1 per cent. less than they offered 14 years ago. Ontario asserts that her requirements are 15 per cent.

The hon. member for Brant will recall when the agreement was entered into there was a provision that 10 per cent. after the war would be equitable, so they are 1 per cent. lower than they were 14 years ago.

(c) On successions the federal government offers 50 per cent. of federal rates in this field which Ontario feels she should vacate.

I asserted that they should vacate that field. I have been offered certain compensation in the past in relation to that matter, because there is the argument that succession duties are required, in order to check up the taxes on incomes of deceased persons. I acknowledge that. I think it is quite possible to have the returns available to both governments.

However, I should say that succession duties are not a relatively large matter, although it is an important matter for a province such as this, but federally taxwise, it is a comparatively small item. Our province of Ontario was taxing in that field very many years before the federal government. In the case of succession duties, Ontario was levying that tax for 50 years before the federal government ever came into it at all. That is also true of corporation taxes, and, as a matter of fact, in municipal income taxes, the province was levying them long before the days of 1917, when the federal government first entered that field. So the province has been in all those fields for very many years, in one case, as I say, for 50 years before the federal government entered into it at all, the field which they now ask us to vacate, which, for years, was very definitely our own.

Now, to boil our assertions down to figures. It is one thing to speak about "15 per cent.", "15 per cent." and "50 per cent.". Ontario asserts it needs and requires approximately \$100 million more annually than is being offered. This would be produced from the 15 per cent. rates mentioned in personal income and corporation tax.

It is idle to say that Ontario taxpayers, home and real estate owners, do not need this amount which could very much have assisted and relieved municipal taxpayers in, for instance, Owen Sound, Windsor, Metropolitan Toronto, and a thousand other Ontario municipalities which Ontario Ministers

at Ottawa must know are struggling under an unfair burden. We have Ontario Ministers in the federal government, and surely it is not necessary for me to convince them that Owen Sound, Windsor and the thousand other places in this province are not getting a "fair shake" in connection with the burdens we are bearing.

The \$100 million extra represented by the tax rates which I mentioned is the minimum required from these fields to help our taxpayers in primary and secondary schools, and in our hard-pressed municipalities to bear the cost. May I point out, Mr. Speaker, that this year we are giving to our municipalities some \$17 million more. I think the figure is increased from \$165 million up to in excess of \$180 million. The federal Budget amounts to \$5,000 million—\$5 billion. \$200 million is about 4 per cent. of that sum, and \$200 million would settle this matter in Canada in a decent way, and would give to British Columbia the money it needs, and to the Maritime provinces the money they need, and to our province of Ontario the money it not only needs, but to which it is justly entitled.

As I said at Ottawa, our problems come from production, and so should our revenues. It is not fair that Ontario should be driven into a position where it would have to revert to regressive taxation to pay the bills which progressive taxation should pay. If we are driven into this—sales taxes and the like—our competitive position *vis-a-vis* producers in the United States and other lands will inevitably be weakened. Development and production from Ontario will be hampered. Not only the people of Ontario, but the people of all provinces, will suffer in consequence. It is of major importance and consequence to all provinces, and to Canada, that Ontario be placed in a financial position where costs can be kept at internationally competitive levels and there is full incentive to development. Any other courses would be blind and unrealistic. That is what I say of these proposals. We were called to Ottawa

to receive the verdict, without very much ceremony.

I tell this House today that the federal government has deplorably failed to assess the needs of the provinces and their municipalities which are the right arm of peacetime development and expansion. They are as wrong in this as they were in the attitude of 1945 and 1950. The unfortunate part is that this matter is urgent, that our taxpayers are being overwhelmed because they are being deprived of their fair share of the revenues which come from the very production which causes our problems. That the federal government will be proved wrong again I have no doubt, but it is my hope that it will not be too late, before they find they are wrong, unfair and unjust to the provinces.

May I say that, while in Ottawa, I had another conference which, I am glad to say, was more successful than the conference of the provinces to receive the verdict. I had a conference with the hon. Prime Minister of Quebec, officials of the Hydro-Quebec, at which Dr. R. L. Hearn, chairman of the Ontario Hydro, was present.

These conferences concerned the conversion of power being produced in Quebec to 60 cycle, and also the very important question of an inter-switching system between the two systems, Ontario Hydro and Hydro-Quebec, to make it possible for the systems to mutually support each other somewhat in the same manner as applies in the case of the Detroit Edison and the Ontario systems, as well as some other inter-connections which Hydro has elsewhere.

Through the development of such a system, and as a result of inter-connections running as far as the province of Manitoba, it will be possible for several systems to support one another extending from the Atlantic Ocean to practically the centre of the continent, with inter-switching to support an American system, and reversed at Detroit and Niagara Falls.

At the same time, conversations were held relative to joint problems of the

two provinces in relation to power development on the Ottawa River.

May I acknowledge the kindly co-operation which we have always received from hon. Mr. Duplessis and his government and Hydro-Quebec in relation to these problems which are of interest to us. They have always been considerate of our problems and I am very glad, indeed, to make that acknowledgment in this House today.

These matters, which were discussed at the termination of the Dominion-Provincial Conference, are now in the hands of our technical people, and I have no doubt will be resolved to the satisfaction of the people of both provinces.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Speaker, perhaps I might be permitted a comment or two on the matter referred to by the hon. Prime Minister this afternoon. He has indicated, as the record will show, that the federal government has said, in rather definite terms, that the offer it made to the provinces is one which is going to stand, in the main. The hon. Prime Minister this afternoon has made it quite clear that, in his judgment, that offer on the part of the federal government is not good enough for the province of Ontario, and I want to review that aspect of what the hon. Prime Minister said, for a few minutes.

As the House will recall, we are ending a 5-year lease agreement for these certain fields of taxation. The final payment, as I recall it, for the year 1956-1957 will be approximately \$151-odd million. The federal government has offered a new agreement, where the first payment, for the first year, would amount to \$192 million. I think I am approximately correct in my figures. The hon. Prime Minister said this afternoon that is not a realistic figure, and claims it does not take into account the financial needs of this province. He has said they would require \$100 million beyond the offer of \$192 million, which, in effect, is saying that

the federal government should, in the judgment of the hon. Prime Minister, pay to the province of Ontario \$300 million instead of \$192 million.

HON. MR. FROST: It does not "pay" us anything. We collect it ourselves.

MR. OLIVER: Assuming that what the hon. Prime Minister says this afternoon is his position, that Ontario needs \$100 million beyond what is being offered in the agreement, then the federal government would be paying to us no less than—

HON. MR. FROST: No, Mr. Speaker; we would collect it ourselves.

MR. OLIVER: Well, Mr. Speaker, the figures correspond anyway.

HON. MR. FROST: That is where I say the federal government is wrong. They do not "pay" us anything; we collect it ourselves.

MR. OLIVER: Mr. Speaker, that is a technical argument employed by the hon. Prime Minister this afternoon for the first time. I suppose he has to find some substantial ground upon which to hinge his argument, to the best of his ability.

But, it is a fact that the hon. Prime Minister has said this province should have \$100 million more. I want to analyze that for a moment. The hon. Prime Minister might as well have said we should have \$200 million more. It is actually a figure he picks "out of the air." What I am concerned about, in relation to these huge figures we are bandying around in this Legislature, is that the hon. Prime Minister has said the needs of this province are \$100 million more. But the matter about which I am not at all sure is that which revolves around the fact that we may need \$100 million more — and I will not dispute that for a moment — but I think we could very well dispute the statement that the entire \$100 million should come from the federal government.

HON. MR. FROST: It would not come from the federal government at all.

MR. NIXON: Would you not get a cheque?

MR. OLIVER: He would get it somehow, whether by cheque or in cash, or in some other way. I want to be as much of a realist as I can. I am a provincial "rightest" to this extent, that I want Ontario to receive what is its just share, and just rights in this financial deal, but I think it must be considered that the federal government is not flush with money, so far as we can gather at the present time. It is making huge commitments for national defence; it is paying Ontario something in the neighbourhood of \$250 million every year in family allowances, old age security, old age pensions, and so forth.

I suggest to the House that what the hon. Prime Minister is doing is asking the federal government to "up the ante" to Ontario by \$100 million, which can have no other meaning but that similar pro rata payments will have to be made to the other provinces throughout the length and breadth of Canada, and if this new formula is adopted by the federal government, it might involve the payment of almost double what it is presently paying to the provinces in lieu of these taxing fields.

That is asking the federal government to go a long way. It does not get its money off of trees; it gets it out of the pockets of the taxpayers in this country, and I think the government at Ottawa has managed the affairs of this country reasonably well. It means, if the formula suggested by the hon. Prime Minister was adopted, that federal taxes would have to be increased by probably \$500 million or \$600 million to meet the requirements as suggested by the hon. Prime Minister here today. That extra money can come from nowhere else than out of the pockets of the Canadian taxpayers. We might as well admit that, because it is, frankly, a true statement. So I suggest we would be asking the federal government, on our behalf, and

on behalf of all the provinces of Canada, to "up the ante" to the point where we would be faced with a very material increase in taxation at the federal level.

There is one point, Mr. Speaker, I want to make, and that is that the hon. Prime Minister has said that Ontario is "not a rich province," even if it is a rich province. I mean by that, the services we are required to render are growing year by year, as a consequence of our economic growth. Of course, this is true. But I do not know that it follows that the increased expenses incurred should be properly a charge on the federal government of Canada. Surely we have a responsibility in these fields, but one we are not prepared to admit, as judged from the calculations in the synopsis prepared by the hon. Prime Minister, in reference to this matter.

I was astounded and amazed at the hon. Prime Minister's statement which was reported in the *Globe and Mail*, in respect to this conference. I want to read the statement to the House, and then make some comments thereon. The hon. Prime Minister read part of the quotation this afternoon, but I imagine very carefully avoided giving other parts of it. This is the statement as reported in the *Globe and Mail* of March 10:

They were wrong in 1945, they were wrong in 1952, and they are wrong today.

And they will find out how wrong they are in about 5 years when they come face to face with the realization that today's lack of foresight will bring this country to the brink of economic disaster.

HON. MR. FROST: That is right.

MR. OLIVER: Mr. Speaker, what political "twaddle" is that? It does not matter whether he signs these agreements, or whether he taxes in his own field, neither that action nor any other action which might be taken in connection with these agreements, nor any of those sets of circumstances, will bring either Ontario or Canada to the "brink

of economic disaster in 5 years." What foolish talk is that? The hon. Prime Minister cannot hope to get anywhere, using language such as that.

Imagine the hon. Prime Minister of this province saying that unless the federal government does certain things which they are not presently prepared to do, the Dominion of Canada as a whole will stand on the "brink of disaster within 5 years." That is a ridiculous statement and wholly devoid of truth, and the hon. Prime Minister knows it.

We stand on the threshold of the greatest prosperity this country has ever known, and whether we sign an agreement with the federal government or not, matters very little regarding the outlook in respect to that picture; very little, I suggest, because—and I bring this point up—the hon. Prime Minister says these fields are worth more than the federal government is presently offering for them.

If they are worth more, there is one alternative which is quite wide open to him, and that is to get into these fields himself. Let the province of Ontario go into these fields, and tax for themselves in the province of Ontario. That was done before, and it can be done again, so the hon. Prime Minister need not say, "We stand on the brink of disaster unless the federal payments are 'upped'."

We do not "stand on the brink of disaster." We have the remedy in our own hands. We have the federal government at the point where it will give us the best possible deal, and if that deal is not good enough for the people of Ontario, then it is their obligation, I suggest, to get out of the agreement, and get into the taxation fields in this province.

I say to the House this afternoon that I want the utmost in revenue for this province. I am as aware as the hon. Prime Minister of the needs which lie before us in this province of Ontario, but I have a belief in the capacity of our people to meet those demands, and whether that capacity is satisfied by an arrangement with the federal govern-

ment, or by going into the fields ourselves, it is for the hon. Prime Minister and the government of this province to decide.

HON. MR. FROST: Mr. Speaker, I am content to let this matter stand for the moment, because it will be debated in full later on in this session and later on this year. I just point out, however, to the hon. leader of the Opposition, he uses the expressions "up the ante" and "the federal payment upped" and "that we charged the federal government with more." I asked the federal government for no "upped ante"; I asked the federal government for nothing to be "upped"; I asked them for no money—not a cent. All I asked for is a just share of the tax fields which are ours by Constitution since that date in 1867, which date is over your chair, Mr. Speaker. That is all I asked them for.

The hon. leader of the Opposition speaks about "economic disaster." I will tell him how to bring about economic disaster in this country more quickly than anything else. Cut off the right arm of the municipalities, and the provincial governments, which must lead in the peacetime battles of this country. That is the way they can be destroyed.

I ask you, Mr. Speaker, if that is not the way that they will destroy these provinces, when the little province of New Brunswick tells us they cannot pay their school teachers. Does that not lead us to "disaster"? The hon. leader of the Opposition thinks it does not, but I think it will. When the province of Nova Scotia is staggering along with great burdens which they came to the conference to present, and were listened to, and then sent away empty-handed, when we asked for those provinces that they should get at least \$10 million or \$15 million—they got nothing.

I will say to the hon. leader of the Opposition if anyone wants "disaster" in this country, let there be "disaster" in a few provinces, and there will be "disaster" for all.

That is true of the great high-cost province of British Columbia, high-cost,

not because it is their fault, but because of their geographic location. If he wants "disaster" in this country, let us have "disasters" in some of those provinces. Let them become fiscally embarrassed, and he will see what will become of this country.

The hon. leader of the Opposition speaks about "economic disasters." What if the city of Owen Sound could not pay its bills? He should go up there and ask Mayor Sargent of that city what he thinks of the situation, and how far from difficulties they are. I would ask him to visit the city of the hon. member who sits behind him, the hon. member for Essex North (Mr. Reaume), who was mayor of the city of Windsor. Let him ask him how far that city is ahead of difficulty. I thought he did know, from the speeches he has been delivering all about this province, how close to "economic disaster" are some of the school boards. I ask, how can we assist those people? How can we best assist the separate and public school taxpayers in this province? By giving them money from the very fields from which they should receive it. There is why I say to the hon. leader of the Opposition if he does not know that "economic disaster" is in the offing, perhaps he will have learned this afternoon that it is.

MR. OLIVER: I have learned this much, and I want to say to the hon. Prime Minister I will agree with him that the only level of government in this country which is not getting a square deal is that of the municipalities.

HON. MR. FROST: The hon. leader of the Opposition has been saying that for years.

MR. OLIVER: That is true.

HON. MR. FROST: When he was Minister of Municipal Affairs, he did not do a great deal for them then.

Mr. Speaker, I went down to Ottawa with my colleagues and we fought for the municipalities and the school boards of this province.

MR. OLIVER: Did the hon. Prime Minister think of doing anything himself for the municipalities?

HON. MR. FROST: I am prepared to conclude my remarks by saying I am quite content to have the hon. leader of the Opposition assume the role of defending the federal government. I am content to take the role of defending and fighting for the school boards and the municipalities of this province.

MR. D. MacDONALD (York South): Mr. Speaker, I do not propose to prolong this debate this afternoon, although I assure you I restrained myself with some difficulty when the hon. Prime Minister, who is our incorrigible optimist, turns gloomy over night. It is the kind of situation which calls for comment; however, I will not comment beyond asking a question which is uppermost in my mind, and it seems to be in the minds of many people who are viewing this further chapter in the "dog fight" which has typified Canadian political life ever since 1867.

If, as was indicated by the Rt. hon. Prime Minister of Canada, this situation now rests on the level of negotiations between each of the provinces and the federal government, is the government of Ontario going to continue negotiations, and will it enter into these tax deals?

HON. MR. FROST: Of course, the obvious answer is there are points in which there can be further negotiations. There is a field, for instance, which is clearly a provincial field, in connection with the taxes which are levied on non-residents, in which I think the hon. member for York South will firmly agree the province ought to have a share. That is one point he has contended. That has not been resolved. As a matter of fact, the federal government has, at the moment, rejected that point of view, but we intend to continue to negotiate on that point.

In connection with re-entering the tax field, I will answer the question as specifically as I can.

In the first place, in 1952, we did not leave the succession duty field. As the hon. member knows, we intend to remain in that field, and to collect our own taxes. I will say to the hon. member that the possibility of that field being a very great producer of revenue is limited, as he knows, but nevertheless we are remaining in that field.

In 1952, with very great reluctance, I advised this House, and the people of Ontario, to rent the corporation tax field. I said at that time it was a mistake; that it was only a "stop gap." It was done only because corporation income tax and personal income tax were tied in together, and we could get only \$25 million or \$30 million, by reason of entering into a rental agreement.

Under the present proposals, the corporation tax field may be rented, or the province will occupy the field itself, either on a direct collection basis or on an agency basis. I have no hesitation in saying, when the time comes, we will recommend to the people of the province that we re-enter the corporation tax field, and collect our own taxes.

We will do that for this reason that I think it is practical and can be done. The federal government would collect the tax on an agency basis for us, charging 2 per cent. In our experience the cost of collection in that field only amounted in the neighbourhood of one-half of one per cent., and you would hardly expect a Scotsman to ask somebody else to collect it, and pay 2 per cent., when it could be collected for one-half of one per cent., so we will go back into that field ourselves.

MR. MacDONALD: Is the same true of personal income tax?

HON. MR. FROST: I want to refer to the personal income tax field, which represents a very great problem in itself. There are between 1½ million and 2 million taxpayers in the personal income tax field. Many of them are paying by payroll deductions,

in which there are deductions up to nearly 95 per cent.

The hon. member will see the difficulty of levying a tax in a field where, in any one year, there would be more than a tax liability of 100 per cent. for federal and provincial income taxes, which would mean there would be as much difficulty in refunding part of the over-all tax as in collecting it originally.

We would have to review the problem in this way; we have to decide whether there would be any common sense in attempting any such task as that. It would appear to me that we would have to levy our own tax at the federal rate in the field, and rely on either an agency agreement, or very possibly a rental agreement, in order to secure it.

Remember that the agency agreement which the federal government offers is hedged around with certain things. If you levy a straight 10 per cent. tax, since it is all deductible, and—as a matter of fact, is based on the 1955 federal rates—it is not double taxation. But if there is a tax, in any instance, over that, it throws the whole thing "out the window," and they would not collect it. I would say that would present to the province very great difficulties, the major one of which would be the very great inconvenience which would be caused to between 1½ and 2 million taxpayers in collecting combined federal and provincial amounts, which would be in excess of the taxpayers' liability, and then be faced with the difficulty of making revisions. I think that answers the question.

I might point out to the hon. members of this House through you, Mr. Speaker, that the federal proposals are premised upon collection by the provinces, either on the basis of need or agency agreements. We will collect our own taxes in the succession duties; we will collect our own taxes in the corporation tax field. I doubt if it would be feasible, or practicable, to collect them in the personal income field.

MR. J. J. WINTERMEYER (Waterloo North): May I ask the hon. Prime Minister, in respect to this discussion about "economic disaster," whether there is any suggestion at the present time that, irrespective of what the various provinces do — whether they go into the agreement or not — there is any suggestion Ottawa will not pursue equalization payments?

HON. MR. FROST: Oh, no.

MR. WINTERMEYER: Maybe I am not making myself clear. Am I right in presuming Ottawa will pursue its equalization payments irrespective of what Ontario does?

HON. MR. FROST: That is right.

MR. WINTERMEYER: With deference then, I suggest to the hon. Prime Minister that the situation to which he has referred in New Brunswick is not exactly in point, because they will get assistance irrespective of what happens. Ottawa has decided upon that.

HON. MR. FROST: Very little assistance.

MR. WINTERMEYER: They will get equalization payments, and my understanding is that, in the poorer provinces, those payments will be a very substantial part of their gross revenue.

HON. MR. FROST: No. I would say that in New Brunswick it would be of the order, perhaps, of \$3 million or perhaps \$3½ million more than they have been receiving to date. I think in Nova Scotia it is about \$4 million or \$5 million. As a matter of fact, my point is, why not give them an amount which would enable them to pay their school teachers and take their proper position in Canada by giving them an extra \$10 million or \$15 million, which would be but simple justice?

MR. NIXON: On what computation does Quebec receive \$48 million? Will that be paid to it each year?

HON. MR. FROST: Yes. It is computed on the average per capita collection in Ontario and British Columbia. To all intents and purposes that is Ontario, for the reason that British Columbia is so close to Ontario. I think the difference is a matter of only 50 cents per capita.

MR. NIXON: Is Quebec lower?

HON. MR. FROST: Yes, in personal and income tax. That is the average of those two, therefore, they receive an amount which would bring it up to the per capita of the average. That applies to all other provinces. In British Columbia, their per capita is virtually the same as ours in Ontario; therefore, they receive no equalization payment, but it falls back on the old agreements to receive as much as it received before. Alberta receives an equalization payment of about \$13 million a year, over and above their over-all collection.

MR. WINTERMEYER: Mr. Speaker, I believe it is true that at one time the hon. Prime Minister suggested the equalization formula should be worked out on a basis whereby we would have a national average, and bring the lesser provinces up to that level. In that case, the Maritime provinces would not get as many dollars out of that arrangement as they would out of the equalization payment, which I understand is on a higher level.

HON. MR. FROST: Mr. Speaker, I attach that to a higher rate of taxes than the federal government. The federal government rates are attached to rates of 9, 10 and 50 per cent. These amounts will produce, with the equalization payments, in most cases a little better than the provinces were receiving under the previous agreements.

Of course, Quebec was not receiving anything, but, under the unconditional equalization payment, it will receive the amount due as well.

In all fairness, I would say that Quebec is entitled to the same treatment as all the rest. That is fair enough. I

am not complaining about the equalization payments, but I would say, if Ontario were to raise its rates here, and Quebec's rates and British Columbia's rates, to a realistic level, and if you take it on an equalization of 4 or 5 instead of two, then probably no equalization payments would be required at all in some cases and it would work out that the 4 provinces would operate "under their own steam."

Mr Speaker, the same principle could be applied to the national average, provided the average of the taxes was raised to a sufficient level.

Again, our argument is the fact that there is very definitely a basis of need for a province which has over one-half of industry located in it. I do not need to tell the hon. member, who is a very sensible person, and one with great experience—he was mayor of Kitchener, an important city, and a city with a good deal of industrial concentration—that it costs money to service industry, and it cannot be avoided.

Most of the money we receive from this field must go to service industry. It is true that it may be used for something else in some other province; but we require it for that purpose in this province.

There is a great deal of sense in what the hon. member said the other day about the province of Ontario levying its own taxes, but I would point out to him this difference. If Ontario levies its own taxation and it amounts to a serious multiple taxation, it places itself at a serious disadvantage with competitor provinces. That is very plain.

Again, if a province resorts to regressive taxation, it raises the cost of living, and of production, and lowers the revenues again.

If these things are not recognized as frankly in peace as in war, we are heading for economic disaster, the same as we would be heading for military disaster in war time. I do not apologize to the hon. member for using that expression. The right arm of government in Canada, regarding production and employment, is found in the municipi-

palities and the provinces. It is altogether wrong to shave down the great producing provinces like British Columbia and Ontario to the lowest point consistent with giving the other provinces a little more. We may as well do a big job and with a federal government budget of \$500 million—what is a couple of million dollars if it results in a prosperous Canadian family?

MR. WINTERMEYER: Mr. Speaker, there is just one additional point I wish to make. As far as the hon. Prime Minister is concerned, he feels the additional rebate from corporation tax and income tax would be sufficient in these smaller provinces, to make up—

HON. MR. FROST: No, I would not think so.

MR. WINTERMEYER: I would not think so either, because they are the ones which have no corporate income tax at the present time.

This problem of economic disaster is not the real one. Mr. Speaker, with deference, I agree fully with the hon. Prime Minister with respect to this new formula. It is far more realistic, something that has evolved; and surely if we cannot improve formulae as we go on, we are not worth much.

I am quite prepared to agree that our problem is related to production, which brings higher costs, and that we will have to receive something from some source to finance our programme. Our problem is somewhat similar to that of the municipalities. The municipalities say the province is a great body, and should be able to give them something. All we have to do is examine this Budget to realize there is not a great deal we can hand out, without additional sources of revenue.

Mr. Speaker, it is the same with the federal government. I was interested to read the brochure about the Federal-Provincial Conference of 1955. I would refer to pages 6 and 7, where Rt. hon. Mr. St. Laurent said that the federal government, in spite of additional

revenue, is expected to do a great deal more than was expected in 1945. It was expected to deal with old age pensions and with defence expenditure. He said at that time that second only to national security is the demand for social security, which the public expects from both Canada and the provinces in great measure. "For example, since the last conference in 1950," he said, "we have assumed in the old age security plan a continuing financial burden substantially larger than our total payment under the tax-rental agreements."

The federal government likewise has been required, as my leader has said, to assume more and more obligations, and there is less and less with which to meet them.

There is no question but that we need more revenue, but I do not think the article which appeared this morning in an editorial in the *Globe and Mail*, which suggested that the federal government was unfit to govern simply because it does not agree, is to be commended at all. Mr. Speaker, I think there is a real problem here. We are proud of the hon. Prime Minister for going to Ottawa and fighting for our rights in the way we expected, as the hon. leader of the Opposition said. Frankly, however, we submit there is a real problem there, which is very difficult, that is, the question of how total revenue is to be split up. It depends on whose money you want. The municipalities look to us for more, and we look to the Dominion for more.

Mr. Speaker, the hon. Prime Minister suggests that it may be necessary to go into the corporation tax field. That is one practical solution. With deference, I am a bit concerned that maybe it will do what is suggested, that is, make it uneconomic for our corporations to compete with others not subject to that tax.

We must be statesmanlike and acknowledge that it is not a simple problem. We must acknowledge that Ottawa has a problem as well, that of distributing their revenue. All you have to do is to read the brochure to see that Rt. hon. Mr. St. Laurent acknowledges that it is

a "real problem" and that he is "prepared to do something."

We have to enter into a spirit of co-operation, and, in spite of what the hon. member for Riverdale (Mr. Macaulay) said, I am not afraid to say that we need additional revenue. I do not know from where it is to come, but I think the committee I suggested some time ago might be the proper body to devise ways and means within our jurisdictional tax field to secure more revenue from production. Maybe that is not a direct corporation tax. The field about which we are talking is a shared field; we have been in it since Confederation, but we must not suggest the federal government has not the right to be in that field. They have that right, and so have we. It is a shared field.

Where it is a shared field, perhaps we can devise some new form of revenue which would carry out the points the hon. Prime Minister very effectively makes. We have to relate that income to production, and certainly a corporation tax is one means of doing it. There is another one, but the only point I want to make is this: in fairness, I think if we are going to do a good job, we cannot say that we are all right and the federal government is all wrong. I think there is a lot to be said for the federal government. The municipalities do need more, we have to help them, but I think we have to be big enough to recognize that it is difficult to take another man's money from him. I am of the opinion that we will, in the future, have to go at it in a statesmanlike manner, and accordingly look for other revenues.

HON. MR. FROST: Mr. Speaker, I am very much impressed with what the hon. member says, and I would like to assure him that I agree with the project, and the solution of these things, and, in the long pull, it is a reasonable attitude. I thoroughly agree that we are Canadians, we are all part of the same country, and difficulties in governing Canada are not new to our generation. They have usually been solved by people possessing reason and understanding, and I hope to always keep that attitude.

I can assure you that I never walk out of conferences.

I would say about Rt. hon. Mr. St. Laurent that I have a very great deal of admiration for his ability. I have never made any secret of that, and I think it has been widely recognized. I give Rt. hon. Mr. St. Laurent the credit for a formula which is realistic. I think the formula recognizes that for which the provinces have contended for 10 years, and to him I give credit for reversing a terrible attitude which existed before now. I am hopeful that, having taken that position, Rt. hon. Mr. St. Laurent will come to a reasonable point of view in relation to the matter of the place the provinces must occupy in this field of direct taxes based on production, from which their problems flow. That, I think, is the situation.

I do not want to appear unreasonable, and I do not think I am. I did say, at the conference, that \$200 million is a great deal of money, even spread across Canada. It would make all the difference between a good deal and one which is very doubtful. I might point out that a year ago, at this time, the federal Budget was brought down and a deficit of \$150 million or \$160 million was forecast, and that is probably going to be taken care of, and the federal government this year is probably going to be in a surplus position. That is how relatively small is the amount necessary to make a good deal.

The forecast in the financial papers, and from economic sources, is that on the same basis of things, this coming year, the federal government will have a surplus of \$200 million. That is the amount required in this arrangement to make, I think, a pretty respectable deal with the provinces of Canada, and I hope the federal government will be reasonable enough to see it.

MR. SPEAKER: Orders of the day.

The House, upon order, resolved itself into the Committee of Supply.

MR. OLIVER: May I ask what you are proposing to go on with now?

HON. MR. FROST: Estimates of The Department of Planning and Development.

MR. OLIVER: Just that one?

HON. MR. FROST: That is right.

ESTIMATES, DEPARTMENT OF PLANNING AND DEVELOPMENT

HON. W. M. NICKLE (Minister of Planning and Development): Mr. Chairman, in presenting the Estimates this afternoon on behalf of The Department of Planning and Development, before calling the different items as shown in the Estimates, I would like to give a short resumé of the different branches of government which go to make up my department. First of all, I would like to say, in relation to the Vice-Chairman of The Hydro-Electric Power Commission, my predecessor in this office, that I found when I took over his department that he had a very excellent, highly-trained staff, which has been at all times of tremendous assistance to me.

I would like to say, Mr. Chairman, it is my intention to deal with different branches of my department as they are shown in the Estimates. The first branch has to do with civil defence. For the record, I would like to say there are 58 civil defence organizations, there are 7 regions which cover all of Ontario, and 4 are in the process of being established. We have in this branch 11 rescue trucks, and have completely trained 500 voluntary police officers, uniformed them, and there are 200 presently in training. We have also trained 12,500 nurses who have completed their training course in atomic, biological and chemical warfare, and have been taught new techniques in relation to the treatment of burns. We have a staff of 17 on the road, lecturing and organizing, and we have 35 air raid warning sirens coming to Metropolitan Toronto from Ottawa. Metropolitan Toronto is spending a great deal of money in connection with civil defence, which I think, Mr. Chairman, is an

indication that this branch of government is very important indeed.

In connection with our hose standardization programme, I can tell you this was completed in 1955, within 3 years, at a cost of \$1.4 million of which we paid two-thirds of the total cost, and the federal government paid one-third. In this branch, we have 14,000 cards properly indexed for volunteer workers. Mr. W. J. Scott, of the fire marshal's department, has seen to it that auxiliary fire fighters have been organized and trained.

We are establishing a backlog of dextran which is a substitute for blood plasma, as well as medical supplies, so that they can be available at any time if we have to face up to a third World War, and the consequences which might follow.

In relation to the community planning branch, I would like to say that there are 41 joint planning areas, and the number of municipalities which have official plans is 58; 22 will be cities, 21 towns, 6 villages and 23 townships. The number of areas of municipalities which have created areas of subdivision control as of December 31, 1955, is 176. The number of plans of subdivision approved since 1946 up to December 31, 1955, is 5,481. The number of restricted area by-laws considered during 1955 amounted to 672.

My department of government deals with a Cabinet committee on town sites, presided over by the hon. Minister of Municipal Affairs (Mr. Goodfellow), and the item of \$500,000 in the Estimates has to do with mining town sites, including the Elliot Lake town site. This covers general town-site investigations, their location and design, and the designing and construction of municipal improvements such as water, sewers, roads and a pumping station. The \$500,000 is to be a recoverable advance until the improvement district is able to pay back this debt.

The number of municipalities visited in 1955 with a view to giving them assistance, and to help prepare their programmes, was over 200.

I would tell you that to my way of thinking, The Department of Planning and Development is a co-ordinating department.

In relation to the St. Lawrence board of review; this was constituted on February 2, 1955, by direction of the hon. Prime Minister. The board is composed of 7 members, 2 of which are from the provincial government, 2 from the Hydro-Electric Power Commission of Ontario, and 3 are representatives from the municipalities affected by the St. Lawrence power project. The purpose of the board is to ensure fair, just, and equitable compensation to the property owners whose lands are required for the St. Lawrence project. The board hears claims of property owners who are dissatisfied with the Hydro-Electric Power Commission's offers of compensation, and makes its recommendations to the commission, and to the property owners.

The board's hearings have been held at Morrisburg, and it makes no charges for its services. The commission and the property owners are not bound by the board's recommendations, and without loss of any of their normal legal rights, the parties may still apply to the Ontario Municipal Board to have compensation determined. Ten cases of property owners were heard by the board in 1955, and recommendations were made to the commission and to the property owners as to the amount of compensation the board considered fair, just and equitable. As of February 1, 1956, there are 8 applicants awaiting hearing by the board.

With regard to the conservation branch; I would like to say that this branch administers The Conservation Authorities Act, 1946; they assist the local municipalities in the establishment of river valley conservation authorities; they furnish technical assistance to authorities, in connection with hydraulics, land use, forestry, wildlife and recreation; they provide grants for carrying out "schemes." As to river valley conservation authorities, there are 19 conservation authorities, not including the Grand Commission, which

was incorporated by a separate Act of this Legislature.

There are 287 municipalities in the area which covers 12,021 square miles. Four other river valleys are interested in establishing authorities, and there are 8 field officers. It may be interesting to note that the works completed or under way by conservation authorities are the following: Ausable, Etobicoke-Mimico, Grand Commission, Grand Authority, Upper Holland, Thames and the Moira.

The approximate total cost of flood control works, completed or under way up to the present time, is \$14,937,000. In addition there is the ground water recharging at Catfish near Aylmer, at a cost of approximately \$22,500. Projects for which plans have been developed to construction stage amount to \$13,814,000; projects for which ground surveys have been made amount to \$47,751,000, and 22 other projects, at a cost of \$17,875,000, are to be considered.

All authorities carry on programmes of public relations, including lectures, slides, films, sets of pictures, maps, bulletins, essay and scrap book competitions for schools, tours, conservation trails, radio broadcasts, demonstrations and fall fair exhibits. We think this is a worthwhile programme in connection with this department.

I should tell you, Mr. Chairman, that recently the policy of this government was announced that where previously we had granted 37½ per cent. in connection with a flood, that amount has been stepped up now by the government to 50 per cent., where the cost does not amount to \$5 million. In addition, for any project which costs more than \$5 million, Ottawa pays 37½ per cent., we will pay 37½ per cent., and the authority 25 per cent. If the cost is less than \$5 million, the authority will have to pay 50 per cent. and we will pay the other 50 per cent.

In relation to housing I would like to say that, regarding rental houses completed, under construction or under agreement, the total is 4,310. Rental housing programmes have been estab-

lished at Amherstburg, Arnprior, Brockville, Dunnville, Fort Erie, Fort William, Galt, Goderich, Guelph, Hamilton, Lindsay, Lawrence Heights, Midland, Napanee, North Bay, Owen Sound, Port Arthur, Prescott, Toronto—in Regent Park South—Renfrew, St. Thomas, Sault Ste. Marie, Smiths Falls, Stamford Township, Stratford, Trenton and Windsor. This represents 26 municipalities.

I should also tell the House that, in 1948, there was an authority established for second mortgages for housing development, and in connection with that programme we made 1,500 loans, and I am advised that as a result of these loans it is fair now to say that 20,000 houses have been established in the province of Ontario.

In addition to rental housing, the branch has produced a total of 13,423 land-assembly lots in 25 municipalities which may be described as follows: Arnprior, Amherstburg, Atikokan, Brockville, Cobourg, Guelph, Kenora, Kingston, Kitchener, London, London Township, Lindsay, Midland, Napanee, North Bay, Ottawa, Owen Sound, Peterborough, Renfrew, St. Thomas, Sarnia, Stratford, Stamford, Thorold and Trenton. In addition, there are under advanced stages of negotiation the following projects: Cornwall Township, Kingston, Etobicoke, Hamilton, St. Thomas and Scarborough.

In relation to the trade and industries branch I would say that this branch was established in 1945 to promote the economic growth of the province through the development of its trade and industry. The branch provides municipal and industrial statistics, promotes and supports the industrial development efforts of all the Ontario municipalities, assists manufacturers on the establishment or expansion of their industries, assists them to select suitable industrial locations, obtain raw materials and develop their domestic and export trade.

Ontario experienced another record year of industrial expansion in 1955. Well over \$400 million was invested in

new manufacturing plants and equipment, and there was a substantial increase in the number of new industries. Coupled with a recovery from the business slow-down of 1954, the gross value of manufacturing production rose to a new record and exceeded \$9 billion for the first time in the province's history. Employment and payrolls in manufacturing both increased by significant amounts. In all, 1955 was a fitting climax to a decade of manufacturing growth, which has seen striking increases in all phases of Ontario's manufacturing economy. With respect to 1956, the indications are that we will maintain the high level of economic development experienced in 1955.

In the short time the office in Chicago has been in existence a number of people in the United States have become interested in establishing companies in Ontario. 350 manufacturers can be considered as interested prospects. In the Estimates you will see there is a suggestion that we should establish an office in New York, and I would say that if we get one industry out of the New York area, the office will pay for itself. I am encouraged to ask for the money so that we may establish an office in New York, having regard to the great success we have had in Chicago.

Prior to November of last year immigration was handled as a separate branch of my department. However, in November the branch was dispensed with and the responsibility transferred to the trade and industry branch for purposes of administration, and because of the close relationship between employment and industry. Therefore, the Estimates for immigration are not shown separately this year, but rather as part of the salary, travelling expenses, maintenance and publicity items of the branch.

The immigration activities of the Ontario government are dependent upon federal government policy, but there is a direct impact upon the province. In 1955, out of a total of 109,946 immigrants entering Canada, some 57,563 or 53 per cent. settled in Ontario. To those immigrants who have special

settlement problems, we are providing an advisory service through the trade and industry branch to assist them in becoming satisfactorily established in our province.

Ontario today produces approximately one-half of all the manufactured goods in Canada and equals the 9 other provinces in value of production, employment, payrolls and capital investment. New industries and expansions of existing industries mean new products, the new jobs essential for our natural increasing population and the influx of immigrants, new personal incomes, new purchasers, new investors and new sources of revenues. Corporation taxes are the greatest single source of Ontario government revenues and there can be no question that the work of the trade and industry branch is vital to the future economic growth and stability of industrial Ontario.

I would like to say a word about Ontario House, which continues yearly to broaden its services for the province in the United Kingdom, and the countries in western Europe. The great expansion of the province itself, together with the good economic recovery of Great Britain and many continental countries, has resulted in increasing demands upon the facilities of this government office.

The public relations department has been unusually active in its work with overseas newspapers and press agencies in the release of articles or news items concerning provincial development. Statistics, photographs, and editorial material are supplied to the press, government offices, schools and universities. Radio, television and moving pictures are used frequently to tell the Ontario story. There is a wide circulation of descriptive literature supplied by the government, as well as by many cities and towns in the province.

The accumulated effect of this work in past years has been of material benefit in publicizing the opportunities and advantages of Ontario, and attracting to it considerable industry, commerce, immigrants and investment. The office is a "halfway house" with "two-way

traffic." Not only is it on the receiving line for the thousands of yearly visitors from the province, but it also is an information centre for British or foreign visitors planning trips to Ontario, gives assistance to tourists on an ever-increasing scale, and is part of the function of the public relations department.

The trade and industry department has experienced another successful year with greater activity over the previous one. The results indicate a healthy movement of British industry, commerce and investment to the province. This includes the erection of branch plants, formation of subsidiary companies of commercial construction and financial concerns, as well as a series of cases of British companies purchasing control of existing Ontario manufacturing companies and expanding their operation. Her Majesty's treasury and board of trade give our government every co-operation in this work.

A number of British investment trusts have recently been formed for the primary purpose of investing funds in Canadian enterprises or resources. This is given full encouragement by Ontario House and its advice or assistance is often sought.

The immigration department has had a busy year, but there has been a considerable decline in the flow of British migrants to Canada and the province. Full employment, higher wages, and better living conditions in the United Kingdom are largely responsible for the situation. The Dominion government has announced their intention to adopt a more aggressive policy designed to substantially increase migration. As some 60 per cent. of British migrants are destined to Ontario, it is necessary that our department work closely with the federal authorities, as it has in the past, in their general programme.

Our immigration department is organized to give counsel and direction to those contemplating emigration. Special attention is given to meeting the needs of Ontario employers for skilled labourers or technicians and to fill the gap in commerce generally. The work is confined entirely to British emigra-

tion. The principal aim of the department is to secure a reasonably steady flow of high-grade immigrants on a controlled and selective basis. It is important that these be well informed of the opportunities that exist in the province, and they are the type that can be successfully assimilated into the provincial economy in locations where employment and housing exist.

May I say, Mr. Chairman, that we are giving Ontario House and the federal authorities every conceivable co-operation to help them obtain their objective. It is very important, if I may say so, Mr. Chairman, and I think we should see to it that we get as many new industries as possible, so that the new Canadians settling within our boundaries will have an opportunity of working, and becoming successfully established.

Now, I would like to say a word about the Ontario Research Foundation. I should like to speak in general terms about this important subject. Why should this department be concerned with scientific research? I answer, because we are concerned with industry, and industry is the foundation upon which we must build the continuing prosperity, health and happiness of the people of Ontario. In the past, we have perhaps been concerned solely with the establishment of new industries, and the enlargement of existing ones. Now we must concern ourselves more and more with the competitive efficiency of industry.

There are two ideals abroad today which I must challenge and refute. It has been suggested in more than one recent article that Canada's role is to be that of a "hewer of wood and a drawer of water." To enlarge slightly, this means that Canada can continue to grow and prosper by exploiting and selling her abundant natural resources. May I confine myself to my own province and state quite firmly that this is no solution for Ontario. We value and respect our primary industries, but may I ask whether they could sustain our present growing population? Furthermore, when I am asked to encourage

and facilitate the entry into Ontario of willing workers from abroad, to which avenue of employment must they be directed? Surely, no one will question my statement that in the main it must be to our secondary industries.

My second statement concerns the general character of industry in Ontario. To get a true picture, we must be grateful for what I may call the "giants," but they are relatively few in number. I prefer to think of the small area, with 4 or 5 industries, each employing 100 or 200 people. It is this type of industry — and there are thousands of units of this size — which adds each year its quota of production and employment to the total which we all know represents one-half of the industrial production of Canada. Success depends on many all important things: capital, contented labour, good design, and above all scientific and technical knowledge. We live in a highly competitive and changing atmosphere. The machine or process of today is obsolete and useless tomorrow.

In our effort to make a worthwhile contribution to the solution of this problem, we enjoy the privilege of working in the closest co-operation with the Ontario Research Foundation. May I say a few words about that institution? It is administered by a board of leading citizens, appointed by the Lieutenant-Governor-in-Council. Over a period of years, it has grown into a scientific research centre, manned by a devoted staff of men and women and with a world-wide reputation.

What are its objectives? To assist government at different levels, and industry, in the investigation of scientific and technical problems.

I venture to suggest that the hon. members would benefit themselves, and possibly the industries located in their ridings, if they would take steps to visit and become acquainted with the important work that is in progress only a few yards from where I am speaking. And I can assure you, Mr. Chairman, there will be a warm welcome to any who wish to attend this fine branch of my department.

There is a word I would like to say in connection with one item in the Estimates. There is an item there of \$1.5 million which was put there at a time when it was my thinking that this branch of my department would have to establish a parks area in the vicinity of the St. Lawrence River.

The other day, the hon. Minister of Labour (Mr. Daley) introduced for first reading a Bill intituled, "An Act to establish the Ontario Parks Integration Board." Under that Bill, there will be set up a board composed of 4 hon. Ministers of the Crown, and the chairman of the St. Lawrence Development Commission. There are 5 of us altogether, and it is my suggestion that the item in connection with the establishment of a parks area remain in the Estimates, and, if necessary, at later date, by Order-in-Council, it may be transferred to the Ontario Parks Integration Board.

That is all the general observations I have to make, and I would ask, Mr. Chairman, that you call the first vote in the Estimates of my department, and I will ask that my accountants be permitted to sit near me, to assist me in answering any questions raised by any hon. members, and, with your permission, Mr. Chairman, in accordance with the present custom, I will take my place amongst the front benches.

Vote 1,301 agreed to.

On vote 1,302:

MR. T. D. THOMAS (Oshawa): Mr. Chairman, there is an item for "civil defence" amounting to \$310,000. I think the hon. Minister should comment on that item.

HON. MR. NICKLE: I will answer the hon. member for Oshawa by saying this: representations were made, I would say, a couple of years ago to the hon. Prime Minister, on behalf of the federal government, to the effect that if the federal government, in its wisdom, would set up an item of \$600,000 in its Budget, we, in our Estimates, would set up an amount equal to one-half of that figure. The figure referred to by the hon. member for Oshawa is a result

of a federal-provincial understanding. I am not suggesting that amount will be spent, but I say that twice that amount will appear in the Estimates of the hon. Minister of Finance of the federal government.

MR. NIXON: Mr. Chairman, may I ask how much was spent last year in Ontario?

HON. MR. NICKLE: \$200,441.

Votes 1,302 and 1,303 agreed to.

On vote 1,304:

MR. D. MacDONALD (York South): Mr. Chairman, I recognize we have before the House a Bill which is going to bring together the conservation authorities within the Metropolitan and related areas, and in the discussion on that Bill, I think it has become clear there is nothing being done to remove the problem of the overlapping jurisdictions between the conservation responsibilities given to the Metropolitan government by Bill No. 80, and to the conservation authorities within that same area.

I would like to ask the hon. Minister what, if anything, the government plans to do with regard to these overlapping jurisdictions, because in the last few months, I have had some personal experiences on advisory committees of the Humber River Authority—

MR. A. H. COWLING (High Park): On a point of privilege, Mr. Chairman: the Bill to which reference has just been made has not been before the House for second reading, and upon it, I would like to say something. I cannot see, Mr. Chairman, where it is related to this Estimate.

MR. MacDONALD: I am sorry, Mr. Chairman, if the hon. member does not like it because I have the floor.

HON. MR. NICKLE: May I say, Mr. Chairman, the Bill is ready for second reading, and I think perhaps the remarks by the hon. member for York South could be better made on second reading.

MR. MacDONALD: I understand it was very clearly explained to the House by one of the hon. Ministers that the Bill is doing nothing to remove the overlapping jurisdiction between Bill No. 80 and the conservation authorities, therefore, here is the place where that issue should be raised, because it is not a part of the Bill. My question is, what is the government going to do to remove the overlapping jurisdictions which have been given to the Metropolitan government? I ask because I am certain that other authorities will be greatly concerned about this, as it is one factor which has bedevilled the activities of the conservation authorities more than anything else.

HON. MR. NICKLE: There will be no overlapping, as far as I am concerned. There is no intention of having any overlapping, and I will do my best to see that there is none.

MR. MacDONALD: That is a fine commitment. We will see if it is carried into action.

Vote 1,304 agreed to.

On vote 1,305:

MR. R. WHICHER (Bruce): There is one question I would like to ask on this vote, Mr. Chairman, and may I say I am very much in agreement with it.

I have here an advertisement inserted by the Ontario Immigration Office in London, England, headed "Nurses Wanted". It reads:

If you are an SRN with midwifery training, and contemplating emigrating to Canada, there is a good, guaranteed post for you in the hospitals of Ontario. The working conditions and pay are excellent. If desired, the cost of your passage will be advanced on a repayment basis.

I have a letter from a constituent of mine who is a registered nurse who came out to Canada 6 years ago, after answering a similar advertisement and I think she has a good suggestion which the hon. members of the House might like to hear. She says:

The enclosed advertisement appears weekly in the two British nursing magazines and I would like to put before you an idea I have had in mind for some time now. It may be that this idea is already being implemented but it certainly wasn't when I came out here. At that time (6 years ago) the interviewing officer was a gentleman, who although extremely nice, had very little idea regarding nursing requirements in Canada. At least, he did not go into details with me, which as far as I was concerned, did not matter as I had made all my enquiries prior to contacting him.

Now my idea is this, why not send over a British trained nurse who has made good in Canada to interview and counsel prospective immigrants?

The letter carries on from there, and I think it is an excellent idea. I do not know this lady personally, but she has been successful, and has spent 6 years here. It is understood we are very short of nurses, and it might be a good idea to send 2 or 3 nurses, who have been successful, to Ontario House or the Ontario Immigration Office in London, to counsel these prospects. Therefore I thought I would bring that up for the hon. Minister's attention.

HON. M. PHILLIPS (Minister of Health): May I ask the hon. member who inserted that advertisement?

MR. WHICHER: It says:

For particulars call or write to the Ontario Immigration Office, 12 New Burlington Street, London.

HON. MR. PHILLIPS: I would like to say that in Canada we have a uniform set of examinations for nurses after they have finished their schooling, and the same applies to medical men. They are the same across Canada.

In European countries, including Great Britain, they have some very high-grade schools, and also some which have very low standards, and it would depend entirely on the level of these standards.

I agree with the hon. member that it is a good idea to give these people clear-cut information on what we consider are approved schools of nursing, so they will not come here under any false apprehension.

HON. MR. NICKLE: I would say to the hon. member for Bruce that some 2 or 3 weeks ago, the agent-general for Ontario was here and met with me, and a number of people from various departments, and at that time we did our level best to bring him up-to-date in relation to the standards which are required for a nurse, before she could be absorbed into the hospitals of this province. We discussed the question of dietitians with him, because there is a shortage of them, as well.

I do not know what the programme was 6 years ago. I was not even in the House, and I can only say that, within the last 4 or 5 weeks, the agent-general has been here and has gone back with information concerning the whole question of immigration, after talks with the federal immigration people here, with a view to trying to learn the standards required of all people who may be interested in any phase of our economy.

MR. F. R. OLIVER (Leader of the Opposition): Would the hon. Minister tell me how many nurses have come to Canada as a result of the campaign put on by the immigration department? The second part of my question is, could he tell me of those who have come to Canada, how many were unable to meet the educational requirements for nursing in Canada?

HON. MR. NICKLE: There is a great shortage of nurses and dietitians in Ontario. All I know, as far as this department of government is concerned, is what I have learned in the last 6 or 8 months, but I do say I think any nurse or dietitian coming from the Old Land to these shores in the last 2 or 3 years has not wanted for employment.

MR. OLIVER: Does the hon. Minister know how many have come?

HON. MR. NICKLE: I cannot say that, but I do know there are still a great number of vacancies in that field of employment. We will take any number who will come, and if qualified, all will be employed.

MR. T. PRYDE (Huron): May I ask the hon. Minister a question? He has referred to Ontario House in London. Is it necessary for all applicants, or those who wish to come here, to make a journey to London to be interviewed? Is there any provision for Scottish nurses or dietitians being interviewed in Edinburgh, for instance?

MR. MacDONALD: The question was asked with the right burr.

HON. MR. NICKLE: I can understand the question which was asked by the hon. member and I am not unmindful of the tone of his question, thinking of the Old Land and the thrifty people. However, in relation to immigration, our departmental people in London go up to Scotland. Our whole immigration programme is confined to England, Ireland and Scotland.

MR. THOMAS (Oshawa): What about Wales?

HON. MR. NICKLE: Yes, and Wales.

MR. R. WHICHER (Bruce): One thing more, Mr. Chairman. This lady of whom I spoke went back to England last year and, while there, she contacted many of her nursing friends and they were very agreeably surprised when they realized she had been granted a provincial bursary to enable her to take up her certificate in public nursing.

I do think, if 2 or 3 or half-a-dozen of the nurses were sent back to England, they could secure a great many others, from the tone of this letter. Of course they would not go just to London, but to the larger centres of England, and particularly I would like to remind the hon. Minister that when the Conservative government brings in the hospitalization plan, many of these nurses will be needed.

HON. MR. NICKLE: If the hon. member would loan me that letter when the House adjourns tonight — I will naturally only use that part which has to do with the representations which the hon. member has made — but I will see that the letter, as far as it concerns nurses going over, is submitted to the agent-general for his consideration, and, what is more, it will be done tomorrow which is an indication of good government.

Votes 1,305 to 1,307 inclusive agreed to.

On vote 1,308:

MR. NIXON: On the item of \$8 million for housing, how will that be spent and how will it be returned to the treasury?

HON. MR. NICKLE: I did not hear that.

MR. NIXON: The \$8 million for "housing, vote 1,308, statutory": what are the agreements with Ottawa in connection with housing?

HON. MR. NICKLE: In relation to housing, the hon. member may be interested in this information. As of January 31 of this year, our gross expenditure in relation to housing amounted to \$6,756,000, the net expenditure amounted to \$5,747,000; the difference was paid back, having regard to the advances which we made. In addition to the, roughly, \$6 million which we have spent in connection with housing, the federal government has contributed \$18 million. The hon. member for Brant (Mr. Nixon) may be interested to know that in relation to the low-rental housing project, it must be initiated by the municipality. We do not go into a municipality. It makes application that there be established a rental-housing project. That is established on a partnership basis between the federal government, The Department of Public Works and my own department.

We do not know what we are going to be asked to spend in 1956 in connection with rental housing projects.

I think the hon. member for Brant will agree that if we are going to get a tremendous number of immigrants, probably a large number of municipalities will want to establish rental housing areas, and we are asking that the money be available, in case the question comes up.

MR. D. MACDONALD (York South): Mr. Chairman, let us not go too fast on this because it is extremely important. If I understand the hon. Minister correctly, he stated the gross expenditures of this government for low rental housing—and presumably it is cumulative, or over the last year, I am not sure which—was \$6 million.

A year ago when the public accounts and audited statements came out, it was discovered this was one of the few sections of any department in the government which had underspent its Budget, in that instance, very markedly.

I think that is something into which we have to look. I recognize the fact to which the hon. Minister has just drawn attention, that the initiative for this kind of a plan rests with a municipality, and only when the municipality has taken the initiative, then the federal and provincial governments become involved in it.

However, very often in such matters—and low rental housing is one of them—there is a framework within which the municipality has to work, and sometimes it is not possible for them to take the initiative. Without analyzing as to why, it is clear most of the municipalities in this country are not in a position to take the initiative on anything like the scale which is necessary to meet their needs.

Let me sketch in a bit of the general picture here to show how pitifully inadequate our achievements, as far as low rental housing and the need within the province, as part of our over-all housing need, are concerned. The hon. Prime Minister (Mr. Frost), as I indicated in my remarks on the motion in reply to the Speech from the Throne, has very often commented on the fact that last year we built, in the province of Ontario, 35,000 homes. The latest

figure is that last year, we built 52,000 homes. By that he is suggesting that this was in some fashion or other a product of the effort of the provincial government and related governments. The fact of the matter is that the overwhelming majority—almost 100 per cent.—of the homes were built by purely private initiative, by people who had the money, or could borrow the money, to build them, and that for the great proportion of our people who simply have not the money and cannot borrow the money, our low rental housing programme is tragically small.

How many people does that involve? The figures which have been given us by the national housing administration in Ottawa are that for the average home, built under The National Housing Act today the cost is between \$11,000 and \$12,000. Furthermore, the figures indicated by the statisticians in connection with The National Housing Act, are that if you are going to finance a home costing \$11,000 or \$12,000, you must have an income of at least just under \$4,000.

The facts of the matter are that the great majority of the Canadian people—distinctly more than half—are earning not only less than \$4,000, but less than \$3,000. In other words, the great majority of the Canadian people simply cannot consider the proposition of building a home under The National Housing Act, or if they do, they are skating on very thin financial ice. If they suffer some sort of setback through unemployment or sickness, which cuts into their income, they will be in trouble very quickly.

I give the government credit to this extent that they have recognized, in principle, that if we are going to meet the needs of the great majority of the people, it will be through a low-rental housing programme. It is rather useful to block it off into arbitrary percentages, those people who can build homes under The National Housing Act, namely, people with an income of \$4,000 or more representing, roughly speaking, the top quarter or top third of our population—no more.

For those of the bottom two-thirds, who require homes within the means of their budget, the only way they can provide those homes is through a low-rental programme. What we have been doing for years is building homes in the province—35,000 a year ago and 52,000 this year—to meet the needs of the top quarter; we are building homes almost exclusively for the top quarter of our population.

What are we doing to meet the needs of the other two-thirds or three-quarters of our people? We have a low rental housing programme. As a matter of fact, as I pointed out earlier, some 5 years ago a low rental housing programme was launched by the hon. Prime Minister himself, speaking in London, on June 11, 1951. In screaming headlines, which I am sure he can read even at this distance, it was stated as the lead paragraph of the story indicates, and I will quote:

A plan for the building in Ontario of at least 5,000 rental homes—and possibly as many as 25,000—was announced here tonight by Premier Frost. It will get under way at once and priorities for materials already are being arranged.

Mr. Chairman, the fact we have to face is that in 5 years, as of the end of December, 1955, this government had built, or had been responsible through its joint programme for building, 1,791 homes.

MR. GROSSMAN: That was in the city of Ottawa.

MR. MacDONALD: That is not just in the city of Ottawa. That was the whole housing programme for the province of Ontario. I know there are several contracts which have been let for another 2,500 or 2,600 or 2,800, so there is in sight the construction of some 4,300 homes.

In other words, let us congratulate this government because, in 5 years, they have come within meeting distance of the objective of 5,000 low-rental

homes, which is a mere drop in the bucket to the housing needs of this country.

As a matter of fact, I have another quotation here which shows just how inadequate this is. This makes particular reference to the city of Toronto, but last fall when there was a great deal of public interest in all the papers—because it is a matter of concern in everybody's mind—the *Toronto Daily Star* ran a series under the by-line of Robert Neilsen, and I will quote just two lines from this article:

Toronto's housing efforts in the postwar years appear to be a classic case of getting nowhere fast. Of all the building that has taken place here in the past decade, barely one per cent.—the 1,290-unit project in Regent Park North—has been aimed to meet the needs of the low-income people.

What I want to know, Mr. Chairman, is when this government, which itself 5 years ago set a programme of 5,000 homes, which two or three years ago had \$10 million in the Budget for capital outlay—and I think spent only to the extent of \$2 million or \$3 million, something like that, hopelessly inadequate—when is this government going to get around to instituting a programme of creating circumstances under which the municipalities may initiate a programme to build some homes?

This government has had a policy of housing, as shown by this kind of headline, like the Malvern project, 2 or 3 years ago, when nothing happened. I do not think this government realizes that a working man cannot live in a headline, and he has to have a home, and we have had 1,791 towards the 5,000 projected 5 years ago. When is this government going to do something to create circumstances under which we can have a low-rental housing programme to help the people?

HON. MR. NICKLE: The only answer I would give to the hon. member is this:

As I indicated to the hon. leader of the Opposition (Mr. Oliver), the application, as you rightly said, must come from the municipality. We are in default in no case. Every application we have had from any municipality to establish a low-rental housing area is in full effect. If the municipalities in 1956, across the length and breadth of this province, want to establish low-rental housing, and if they will make the application, we will arrange to do the building.

MR. MacDONALD: Mr. Chairman, the hon. Minister has delightfully evaded the point. Now the federal government will meet 75 per cent., the remaining 25 per cent. has to be met, either by the province or the municipality. I do not know what the details are, but in some instances, the municipality provides a servicing, in some instances they have to provide something of the remaining 25 per cent.; I think I am right there. And if this government is willing to see that homes are built for the people who need them most, they can use this money, on a capital-expenditure basis, to give all of the 25 per cent. If they really want homes, they will move in and provide some of the cost of servicing, because until the government does something, there is no point in saying that it is in favour of it, because it is not creating a situation under which low-rental housing will emerge.

There is no point in sitting there in a "position of indecision", to which the hon. leader of the Opposition referred the other day, so delightfully sitting in the position of indecision with conditions which make it impossible for municipalities to move, because people living in municipalities all across this province are aware of the fact there is a great need for housing. The municipalities cannot move, because they are not in a financial position to do so. Is this government willing to do something to make it possible for them to move, or to take the burden provincially away from the municipality, and share it with the federal government?

HON. MR. NICKLE: Perhaps the hon. member would be interested in knowing that in connection with Lawrence Heights, we are establishing 1,080 units, and in Regent Park, 721.

MR. MacDONALD: That is only 1,700, not close to the 5,000.

HON. MR. NICKLE: Well, we cannot build unless we are asked, and if the corporations will make requests to this government, the houses will be built.

MR. MacDONALD: The government is not going to do anything until the municipalities act, and they cannot act.

HON. MR. FROST: Mr. Chairman, there is a difficulty there. There are some very forcible protests, if we go into any municipality without a request. The department has had 2 or 3 experiences of that kind, going in and proposing that land for servicing be cleared and the work done. That is true in other cases, and we do not want to go against what the municipalities want, and they raise very strong objections if we go in. It is very difficult to step into Metropolitan Toronto, or any other place, and build low-rental housing, not in partnership with them. That is one of the things we cannot do.

MR. MacDONALD: That is all very fine, Mr. Chairman. I will now leave the matter, because it is clear the government will not do any more. The hon. Prime Minister has evaded the essential point in the same way the hon. Minister did. The municipalities need houses, and do not suggest the municipalities are going to fear the government, because they will not object, if the government is willing to accept the financial obligation of 25 per cent. beyond the 75 per cent. which the federal government will accept. If this government is willing to do that, I am willing to bet there are many municipalities in this province which will be willing to have you go in, because they

need the homes; there are people camping on their doorsteps day in and day out who need the homes, but this government is not willing to go in and do it, and we will just have to recognize the fact.

MR. H. F. FISHLEIGH (Woodbine): Mr. Chairman, the point is that anybody can go into low-rental housing. You or I can form a company. The Lions Club can form a company. The government is authorized to help, under The National Housing Act; all that is necessary is have someone back the apartment scheme. This is a free country, so anybody can do it. This government has not been asked by the municipalities to build low-rental housing. There is no reason why the CCF Party cannot form a group of its own, and go into low-rental housing, and the same thing applies to the trade unions. I have discussed it with them on various occasions, and they would like to go into low-rental housing; they have the money, but their problem is that they do not know where they are going to get the land.

Right there is your problem. The city of Toronto, or any other municipality, can expropriate land for themselves, but they cannot turn that land over to another independent party, for instance, to a trade union. That is against the law. If land could be taken by the city, and transferred to a trade union or to the CCF Party, or to the Liberal Party, or to the Lions Club, there would be many more low-rental houses built in the province of Ontario. It is not the money. The money is there. Private industry has the money. Anybody can get into the building business, but there is a technicality as far as expropriating the land is concerned. The city can take it for its own houses, but they do not want to get into that business any more than they are today.

MR. MacDONALD: Mr. Chairman, that is delightful blurring of the point once again. I know many organizations, including unions, which have gone in and done some sort of a job. As a

matter of fact the Legion has gone into it, and built a number of low-rental homes, to meet the needs of the people, but the Legion is doing it for old Legionnaires who happen to be in desperate need of homes. But, who is doing it for the great number of people in the low-income group? You cannot expect that to be left to private groups, because this government has some responsibility, and it is not assuming that responsibility.

Let me come to another point the hon. member raised, to show that he is "off base." He says the cities cannot expropriate land and hand it over. What is the basis upon which this whole redevelopment is going on in the Wellesley-Wood area in the city of Toronto? The city is stepping in and expropriating the whole area, and now it is going to hand it over to one of a half-dozen applicants who will develop these properties. They have not made a decision as to who is going to get it.

MR. FISHLEIGH: They are leasing it.

MR. MacDONALD: Well, it is an arrangement whereby the city has been given the power to go in and expropriate the area, and throw people out who are living in low-rental homes, which will make the low-rental housing situation even worse, when apartments are built, where rentals will range far beyond what the average rental is at the present time. In other words, the net result will be to worsen the situation, because these people will have to seek low-rental housing elsewhere.

If this government wants to move in with the expropriating power to get the land, then I repeat the responsibility of meeting the low-rental housing needs of the people is the governments, apart from select groups, such as the Legion or trade unions. I know, in some instances, trade unions are considering it, but the responsibility for meeting the low-rental housing needs for the people in low income groups—namely, about two-thirds of our people—rests with the

government, and unless this government is ready to move, we will continue to have as pitiful and inadequate situations as we have now.

MR. R. E. ELLIOTT (Hamilton East): Mr. Chairman, I think the hon. member for York South is a bit of a "cry baby," but we must remember that those who cry the most do the least. I have had considerable experience, and I am sure hon. members will agree that, human nature being what it is, some of these people will not move unless they have to. I have known people actually on the verge of eviction, who were actually forced to buy the house they were in, so they "dug around" and acquired a few dollars and bought the house and, to their surprise and amazement, they were able to sell it, probably two or three years later, and make a profit of \$4,000 or \$5,000. Then they moved into a very high-class unit in a new district. If they had not been forced to buy the first house, they would not be in their present situation.

I am not going to speak about Toronto, because I do not live in this area, but in the Hamilton area, you can go up and down the side roads and by-roads within 10 miles of Hamilton, and find literally hundreds of working men building their own homes. You will find their wives are out with them at night, mixing mortar and so on. There are hundreds of these people who are building on an acre or two acres of land for which they can get \$800 from The National Housing Administration at 10 per cent. down, and all they need is the land. You will find people in Canada are not as unaggressive as the hon. member for York South says: they go out and do things for themselves.

The National Housing Act today is a good Act, and they are doing a good job for this country. If there were more people who were a little more aggressive than the hon. member for York South, this country would be better off. He is saying the people are unaggressive, that it is their nature and policy to sit down and do nothing, but to get the government to go out and do everything. The

people of Canada are not like that, they are Canadians, they are going out and building houses, they are developing this country and doing a good job of it. There are a few people we have to look after, people in ill health and so on, and the city of Toronto and the city of Hamilton are doing that in a very fine way. I have not heard of an eviction in Hamilton in the last 5 years which has not been taken care of quite satisfactorily.

However, when we have such "cry babies" as the hon. member for York South, if we had someone like that leading this province, Heaven help the people. It breaks my heart to hear such stupid "cry-baby" talk as we hear from the hon. member for York South.

THE CHAIRMAN: Order.

MR. MacDONALD: The hon. member is getting personal, but it was not I who made \$500,000 out of subdividing.

MR. COWLING: What is wrong with that?

MR. FISHLEIGH: Yes, what is wrong with that?

THE CHAIRMAN: Order.

MR. MacDONALD: That is raising the price of housing, so that many people cannot buy, and even the *Globe and Mail*, in an editorial, said something should be done about this inflating of prices. What is wrong with that? I can tell you that when one—

MR. ELLIOTT: Just a lot of silly talk.

THE CHAIRMAN: Order.

MR. MacDONALD: I want to make this one factual statement. The hon. member for Hamilton East has not a clue, and does not know anything about it, but in most of the countries in the western world, including the United States, it has been found that they simply cannot build homes to meet the needs of the low-income groups, unless it is done with a public, low-rental housing programme.

MR. ELLIOTT: The people do it themselves. They are not like the hon. member, crying about it.

MR. MacDONALD: Go on back home.

THE CHAIRMAN: Order.

MR. ELLIOTT: I do not have to go back home. The hon. member for York South is the one who should go back home.

MR. MacDONALD: When I have made \$500,000 in subdividing, I can speak like that.

THE CHAIRMAN: Order.

MR. ELLIOTT: The hon. member for York South started it. He has been talking for an hour.

MR. MacDONALD: I started the housing issue, and now the hon. member is suggesting we should not raise the housing issue. I just make this one point, the hon. member can go to any country in the western world, and find it is the same as here, and if we are going to meet the needs of the low-income group for housing, it will be by a public, low-rental programme.

MR. A. GROSSMAN (St. Andrew): Mr. Chairman, I was not planning to speak on this matter, because it is my opinion that the technique, and tactics, of the hon. member for York South are to provoke the kind of debate which has developed, so he will appear to be the hero, in favour of housing, while those of us who are trying to answer some questions, which he might have raised, appear to be those who are against housing.

I was rather surprised that the hon. member became personal, because I would think that every hon. member of the Legislature would like to see more low-rental housing units, at this time. In the first place, I think it should be recognized that the demand for housing today is not entirely — I say “not entirely” — because of a shortage of

housing, as such, because people do not have any place to live, but there is a general demand for a higher standard of housing, which is, of course, a good thing.

I can remember when I was married 20 years ago, my wife and I were quite satisfied to live in a flat for a few years, until we were able to afford better accommodation, when we moved into an apartment, and when we were able to afford a still better standard, we purchased a house, borrowed a little money and put a down payment on the home. Of course, later on, we were able to sell it for a vastly inflated price, and buy a still better house.

Today, generally speaking, the type of demands which have been made by the socialists, to some extent, I think it is fair to say, have created a situation whereby many of our young people demand a better place in which to live. For instance, many of them are not prepared to take the long road, they want to get into a home immediately. To the extent that it is possible, it is a good thing. They do not want to take the intermediate steps. But the point I want to make is that there is a demand for a higher standard of housing.

There is another problem of which I think the public should be made aware, which is that in the first instance, low-rental housing in the cities is not too easy to provide. In the highly-populated areas, where there is a density of population, it is very difficult to obtain land at a cost which would provide for a fair rental, let alone a low rental. Then, of course, there is always a great deal of difference of opinion as to what constitutes “low-rental housing.”

In connection with that, I might say that in city council, we had experiences with the odd socialist, who insisted we were not doing anything about housing, and that we should do something about it, that we should expropriate land for housing, for instance, Regent Park and the Wellesley-Wood area, and when it

was done, the same people were the first ones to stand up for the rights of the individuals who owned the properties, and to say that they were entitled to the so-called "market value" of their properties.

In the first instance, they insisted that we do something about expropriating land, and when we did that, they said we were not treating the small property owners fairly, because we were not giving them fair prices for their land, which makes it very difficult to get any kind of land which could be considered a low-rental area.

MR. MacDONALD: You are throwing them out, so they have to buy another house somewhere. Are you going to give them the market value?

MR. GROSSMAN: We are all concerned with doing everything we possibly can to provide as much housing as possible. We must not forget, if a builder is putting up a \$20,000 or \$25,000 home, that the person who is going to move in there is leaving some sort of property, presumably a \$10,000 home for someone else to purchase, and the person who moves into the \$10,000 home is leaving a flat or apartment, or is leaving a \$5,000 home for someone else. That works all the way up and down the ladder.

The fact that we have had many of these homes built has created a great alleviation of this factor.

There is another thing which I would like hon. members to keep in mind. I know that people want to stay close to the densely populated areas. It will be found that that is so. In the case of Metropolitan Toronto, I think, when we went out to get information with the planning board as to where it would be best to develop areas, we found we could plan all we liked on paper, but if we went 6, 7 or 10 miles from the heart of the city, there was great resistance from the people we were trying to help, because of the transportation problem.

The transportation commission is not too happy about it.

MR. MacDONALD: Why did the government not find out that elemental fact before it expropriated them?

MR. GROSSMAN: The transport commission is not happy about extending its lines. Secondly, it is very doubtful if you will get many people to take advantage of the scheme, because they would require a car, and even with a car the transportation problem would make it difficult for them to get to work.

If the hon. member wants to get down to the basic fact, he will have to provide housing in the centre of the city. It is very difficult, if not impossible, to provide what some people consider "low-rental housing," in the centre of a city. Many of us in the city of Toronto have faced this problem for years. We have tried to do as much as we could, but it is not as simple as getting up and saying, "provide the houses." The very people who are going to be put out of the depressed areas, and replaced with a better type of housing, are the very people who will resist, in many instances.

MR. R. GISBORN (Wentworth East): Mr. Speaker, I do not think the hon. member for Hamilton East understands what we mean by "low-rental housing." If the hon. member had taken time to talk with the Hamilton Housing Authority, in charge of this type of housing in the last few months he would have found that they have a backlog of around 1,100 for low-rental housing.

There is another significant arrangement in Hamilton in the past 2 years. The city of Hamilton had the McMaster University make a complete survey of the situation, to find out just what was needed in regard to low-cost housing. They found that almost 1,500 would be needed immediately, to take care of those living in squalid quarters, and jammed up in family groups. I believe the hon. member for Hamilton would be very happy to read that survey taken by McMaster University.

MR. MacDONALD: Mr. Speaker, there is the other side of the Hamilton picture now.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Speaker, may I ask what the municipalities pay as their share under the low cost housing agreements? It is in vote 1,308, No. 1. Is that one project or a number of projects, and would the hon. Minister break it down?

HON. MR. NICKLE: What is the item about which the hon. leader of the Opposition asked?

MR. OLIVER: Item 1, in vote 1,308.

HON. MR. NICKLE: The \$1,250,000?

MR. OLIVER: No, the latter figure, \$2,960,000.

HON. MR. NICKLE: That item is for flood control, and reforestation land.

MR. OLIVER: Is it just a general item?

HON. MR. NICKLE: That is right, sir. And I would also like to make this one observation, for the purpose of the record, in connection with this housing matter. The hon. member for York South asked me a question and this is the first chance I have had to answer it. It is my thinking that the municipalities, in relation to low-rental housing, probably understand their own problems better than, shall I say, the government, and it is considered not always a welcome act by some municipalities, when the government goes in and buys an area for low-rental housing. We are often told that they perhaps understand their own philosophy and thinking better than we do.

MR. MacDONALD: The government found that out in Malvern.

MR. CHAIRMAN: Order. Will hon. members please address the chair?

HON. MR. NICKLE: That is a general observation, but I want it understood that that is my thinking.

MR. J. ROOT (Wellington-Dufferin): Mr. Chairman, I want to ask the hon. Minister a question with regard to item 1, in vote 1,308. I notice that \$1,250,000 is shown there for the Grand River Conservation Commission.

A year ago there was a certain amount of feeling in the municipality affected by the Conestogo dam, which happens to be in my riding. Some people felt they were not being fairly used in regard to assessment, and some of the farm people thought that they were not being fairly used with regard to expropriation or purchase of their land. I believe they made representations to the commission, and at the commission meeting one of the officials of the municipalities down stream, which has benefitted, made the remark that they were not going to be "Santa Claus."

I have had quite a number of representations made to me that, since both provincial and federal governments were involved, why would the municipalities which benefitted be in the position of "Santa Claus?" I just wondered if the hon. Minister could tell me, has there been a satisfactory settlement between the commission and the municipalities which are affected by the flooding of the farms?

HON. MR. NICKLE: Mr. Chairman, the answer to that question is that I do not know, because we did not expropriate the land. The commission did it.

MR. ROOT: In other words, Mr. Chairman, although we provide the commission with quite a percentage of their budget, the hon. Minister has no control over how they spend it?

HON. MR. NICKLE: It was created by Statute.

MR. ROOT: They are free to spend it as they see fit?

HON. MR. NICKLE: Well, generally speaking.

MR. H. WORTON (Wellington South): Mr. Chairman, may I ask the hon. Minister what is the intention with respect to spending the \$75,000 on the Guelph project? I notice that there is \$75,000 set up for a housing project in Guelph.

HON. MR. NICKLE: What is the name of the farm there?

MR. WORTON: Green Acres.

HON. MR. NICKLE: There is nothing there for Green Acres.

MR. WORTON: Yes, it says here that it is Dominion-provincial; we have had that for some 3 years now.

HON. MR. NICKLE: That is the balance of the Green Acres project, to finalize it and bring it to a conclusion. We have some land in Guelph we bought just across the road, as the hon. member well knows, and the government was sued by the owner. We wanted to buy it at \$650 an acre, and when people criticize my department for going into an area and buying non-serviced land, the hon. member will recall that when he was mayor of Guelph he did not want us in there at any price, to such an extent that he pretty nearly made it an election issue.

So we went up and looked at this land. North of this area there is an industrial area, south of it there is the Canadian National Railway right-of-way and an industrial area, and then, to the west of this area of land which you objected to our acquiring, there is Green Acres, I believe, and all of those lots are being sold under land assembly. Then there was this lovely piece of rolling land to the east, with trees, good high, beautiful land, and if there is one case where my department thinks we were right in going into a municipality to buy land, we think it was when we went in to buy that land in Guelph.

Now, if the municipality does not want it, we are going to pick up the option, and take it for one of the departments of this government, and I may

say that as far as my political life is concerned, I do not wish anyone bad luck, but if the hon. member for Wellington South is spared, he will live to rue the day he tried to drive us out of Guelph.

MR. WORTON: Mr. Chairman, I had hoped that the hon. Minister would not bring that up, because I do not think he will find that at any time the city of Guelph turned down any application the provincial government made.

HON. MR. FROST: Mr. Chairman, I disagree with that statement. May I point out that I have correspondence which shows that the hon. Mr. Winters, Minister of Public Works in the federal government, at the instance of the running mate of the hon. member for Wellington South, Mr. Hosking who objected to it, saw to it that the deal did not go through.

MR. WORTON: Mr. Chairman, there is nothing in the records of the city of Guelph to that effect.

HON. MR. FROST: Well, does the hon. member want the deal to go through?

MR. WORTON: I am not referring to this at all, I am asking what the \$75,000 is for.

HON. MR. FROST: But we are asking the hon. member about this other deal.

MR. WORTON: I want to know on what that is going to be spent, because I understand the present project is finished. There is nothing on the books whatsoever that the provincial government approached the city of Guelph in regard to the property. Had they done so on a proper basis, it would definitely have been considered.

HON. MR. FROST: Now the hon. member has brought this subject up, does he want us to go ahead with the farm, or not?

MR. OLIVER: Mr. Chairman, who is passing the Estimates of this House?

HON. MR. FROST: I am asking a few questions, that is all.

MR. OLIVER: Has the hon. member for Wellington South, the former mayor of Guelph, some Estimate before the House? The hon. member asked a perfectly proper question; can it not be answered in a reasonable way?

HON. MR. FROST: May I point out that the hon. member for York South (Mr. MacDonald) has been talking about us going into these municipalities. In Guelph, for instance, there is a farm known as the Hadati. I believe the hon. Minister of Planning and Development (Mr. Nickle) has been there to look it over.

Central Mortgage and Housing Corporation went in there in partnership with our people and took an option on 160 acres of very desirable land, 50 acres of it right in the city of Guelph. That land could have been bought and serviced for a very small amount per lot, for the people of Guelph to go in and buy as serviced land, and the costs would have been put up by the partnership. The former mayor of Guelph, who now sits in this House, with his running mate in Ottawa, Mr. Hosking, "torpedoed" that deal.

MR. OLIVER: Mr. Chairman, may I comment on that?

HON. MR. FROST: They "torpedoed" the deal.

MR. OLIVER: If the former mayor of Guelph "torpedoed" the deal, it should have been "torpedoed." I will say that.

HON. MR. FROST: I doubt that very, very much.

MR. OLIVER: I do not doubt it for one minute. The hon. Prime Minister springs this on the House this afternoon when we have not the information before us.

HON. MR. FROST: That land could have been bought for \$650 an acre, Mr. Chairman, but you cannot buy it for that

today. We may be able to get it by some technicality, but I do say that one of the best opportunities for the municipality was lost by reason of that. The hon. member for York South has been wondering about cheaper land and housing. Here are hon. members sitting here who "torpedoed" one deal.

MR. MacDONALD: But the hon. member says he did not.

MR. OLIVER: The reason that the hon. Prime Minister is about 5 miles off the track is this, that the issue was a very prominent one when the provincial election was on. The hon. Prime Minister had as a candidate, a Minister without Portfolio, who might have been a successor to himself some day, and the hon. member, the former mayor of Guelph at that time, opposed this Cabinet Minister and defeated him by a majority of 2,500. The hon. Prime Minister does not need to come here this afternoon and say that anybody "torpedoed" anything worth while. If it was "torpedoed," it could not have been good.

HON. MR. FROST: Was that an election issue at Guelph? The hon. member does not want the service at all, I gather?

MR. WORTON: I might add, Mr. Chairman, that never at any time was there any written agreement suggested to the city of Guelph. I asked the former hon. member of the House about it, and he knew nothing about any such agreement.

HON. MR. FROST: I discussed this matter with the hon. Mr. Winters, and I think the hon. Minister for Planning and Development will recall that the hon. Minister of Public Works at Ottawa agrees with us. It was his view that the municipalities should be consulted. Of course they should. As a matter of fact, if you do not consult them, and you go in and acquire these lands, then there are difficulties. In this case it was done. But in this case, in my opinion, it was a very shortsighted deal upon the part of the city council, that they did not go ahead with it, for the

reason that the land could be sold for very much more than that at which it could have been acquired, and it is land that is centrally located in the city of Guelph.

I do not think there is any possibility now of the city getting it. It is going elsewhere. I am pointing out the difficulty of doing some of the things the hon. member for York South suggests. We simply cannot run over a municipality. We have to secure their permission and their co-operation, or it will not go through.

MR. MacDONALD: Mr. Chairman, I do not know anything about the situation at Guelph, but I do know something about the one at Malvern. Did the government go in and consult the municipality in the case of Malvern?

HON. MR. FROST: No, there are two situations of which I know where they did not do that. One is Malvern and the other Guelph and, I think, in the long haul they are both mistakes. In Malvern, the municipality of Metropolitan Toronto entered the picture, and were most anxious that it be done. I am in agreement with the hon. Mr. Winters and with the hon. Minister of Planning and Development here. I would not do that again; what I would do is go in and acquire an option, probably for 30 days or 60 days, or some such period. On the other hand, I will say to the hon. member for Wellington South that his people missed a great, big, fine opportunity on this one.

MR. WORTON: I might add to the hon. Prime Minister that the people did not think so, that is why I am here now.

HON. MR. NICKLE: Mr. Chairman, seeing that this Guelph situation has got into the open, there is a comment I would like to make, that had we subdivided the Hadati farm, the lots would have sold at \$475 each. May I point out to the hon. member opposite that there have been two subdivisions established north and south of the Hadati farm, and the subdivider is selling lots. I went up and looked it over, so I know what I am talking about.

MR. WORTON: And so do I, Mr. Chairman.

HON. MR. NICKLE: He is selling lots not as choice as these on the Hadati farm, at \$1,000 apiece, and the people who are buying those lots are paying \$525 per lot more than they would have paid had the hon. member swung in behind this proposition.

MR. WORTON: There was nobody "swung out" behind the deals. I might say, sir, they never approached the city at all, and there are some parts of that farm which cannot be serviced and which are outside the city.

HON. MR. NICKLE: 60 acres are inside of Guelph and the other 100 acres are in the township. You can carry your sewers to the east boundary, which is city property, and then carry it on from there. And it is possible that that could be the finest subdivision, from the point of view of land assembly, you could have anywhere. The hon. member knows as well as I do that there are trees, there is rolling country, it has everything that is desirable. As I say, I wish him well for the future, and that he be blessed with good health, and if that wish comes true he will live to rue the day that he turned "thumbs down" on that proposition.

I just want to say to the hon. member for York South this will perhaps indicate the trouble he will get into, when he goes wide of the mark.

MR. MacDONALD: In two of these cases you did not go to the local municipality. In the case of Malvern, you did not consult the municipality, so do not say you went in and had difficulty.

HON. MR. FROST: I point out to the hon. member for York South that the minute one goes over the head of a municipality there is difficulty.

MR. MacDONALD: You got it in this case.

HON. MR. FROST: Yes.

MR. MacDONALD: And that is the reason for your difficulty.

HON. MR. FROST: In this case there was good reason for doing it, but the people did not like it, and the mayor did not like it and he turned the deal down, although it was a first-class deal and he should have supported it. The same thing happened in Malvern. Of course, the circumstances there were exceptional, because of the land which had been acquired for speculative purposes. But again it had its repercussions and still the hon. member for York South talks about "going in over the municipality's head."

MR. MacDONALD: I do not suggest that.

MR. A. J. CHILD (Wentworth): Mr. Speaker, on vote 1,308, with reference to the \$8 million item, I believe that the House is rather left with the impression by what was said by the hon. member for Wentworth East (Mr. Gisborn), that nothing is being done as far as Hamilton is concerned. We have 500 homes, low-rental housing. We are in the process of having another 400 renovated from wartime housing, and just recently arrangements have been made for the 1,000-acre land assembly scheme, upon which the hon. Minister of Planning and Development is working. There are subdivisions under way and will be sold very shortly. So we in Hamilton certainly cannot complain about the efforts of this government as far as low-cost housing and low-rental housing is concerned.

I think the government has done a wonderful job when one takes into consideration that the only thing which is holding them up in Hamilton is the matter of getting services and an expansion of a sewer which is being planned.

Vote 1,308 agreed to.

On vote 1,309:

MR. P. MANLEY (Stormont): Mr. Chairman, on vote 1,309, I would like to ask the hon. Minister if the St. Lawrence development commission has acquired any land?

HON. MR. NICKLE: No.

MR. R. M. WHICHER (Bruce): If I may revert for a moment to vote 1,306, with respect to an \$80,000 item for grants in aid of regional industrial development associations, I wonder if the hon. Minister would say something about these associations?

HON. MR. NICKLE: The regional programme was developed, I would say, about 12 or 15 months ago. There are 9 regions and I think 5 or 6 have been established. For instance, there is the eastern Ontario region which extends from Kingston to the Quebec border. The object of these regions is to try to get the people who live in the area to co-operate, one municipality with another, to see if within themselves they cannot attract industry and make known to industry the potentialities they have to offer, having regard to what some particular industry may require as against another.

For example, they may want fast-running water where the foundation of the river or lake is rocky, as against sand or sediment. These areas furnish their information to my department, and when new industry wants to know just what there is to offer in different areas, we give them the region and they go down there and meet, and amongst themselves, if possible, try to get a location where the new corporation can be established.

Vote 1,309 agreed to.

Hon. Mr. Frost moves the committee rise and report progress.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

MR. J. F. EDWARDS (Perth): Mr. Speaker, the Committee of Supply begs to report it has come to certain resolutions, begs leave to sit again, and moves the adoption of the report.

Report agreed to.

CITY OF LONDON

MR. A. H. Cowling, in the absence of Mr. Robarts, moves second reading of Bill No. 14, "An Act respecting the city of London."

Motion agreed to; second reading of the Bill.

TOWN OF FORT ERIE

Mr. G. E. Jackson, in the absence of Mr. Jolley, moves second reading of Bill No. 18, "An Act respecting the town of Fort Erie."

Motion agreed to; second reading of the Bill.

CITY OF TORONTO

Mr. Cowling moves second reading of Bill No. 26, "An Act respecting the city of Toronto."

Motion agreed to; second reading of the Bill.

CITY OF HAMILTON

Mr. T. Pryde, in the absence of Mr. Connell, moves second reading of Bill No. 36, "An Act respecting the city of Hamilton."

Motion agreed to; second reading of the Bill.

METROPOLITAN TORONTO
FOUNDATION

Mr. A. Grossman moves second reading of Bill No. 37, "An Act to incorporate the Metropolitan Toronto Foundation."

Motion agreed to; second reading of the Bill.

OTTAWA COMMUNITY CHESTS

Mr. D. H. Morrow moves second reading of Bill No. 15, "An Act respecting Ottawa Community Chests."

Motion agreed to; second reading of the Bill.

CITY OF OTTAWA

Mr. Morrow moves second reading of Bill No. 20, "An Act respecting the city of Ottawa."

Motion agreed to; second reading of the Bill.

PRESBYTERIAN CHURCH

Mr. T. Pryde, in the absence of Mr. Letherby, moves second reading of Bill No. 23, "An Act respecting the Presbyterian Church in Canada, Synod of Toronto and Kingston."

Motion agreed to; second reading of the Bill.

BEECHWOOD CEMETERY

Mr. G. Lavergne moves second reading of Bill No. 27, "An Act respecting the Beechwood Cemetery Company of the city of Ottawa."

Motion agreed to; second reading of the Bill.

COUNTY OF RENFREW

Mr. W. Murdoch, in the absence of Mr. Maloney, moves second reading of Bill No. 39, "An Act respecting the county of Renfrew."

Motion agreed to; second reading of the Bill.

SAULT STE. MARIE

Mr. Lavergne, in the absence of Mr. Lyons, moves second reading of Bill No. 8, "An Act respecting the city of Sault Ste. Marie."

Motion agreed to; second reading of the Bill.

TOWNSHIP OF STAMFORD

Mr. A. C. Jolley moves second reading of Bill No. 21, "An Act respecting the township of Stamford."

Motion agreed to; second reading of the Bill.

CITY OF CHATHAM

Mr. J. F. Edwards, in the absence of Mr. Parry, moves second reading of Bill No. 1, "An Act respecting the city of Chatham."

Motion agreed to; second reading of the Bill.

TOWNSHIP OF NORTH YORK

Mr. T. Graham moves second reading of Bill No. 5, "An Act respecting the township of North York."

Motion agreed to; second reading of the Bill.

CITY OF STRATFORD

Mr. Edwards moves second reading of Bill No. 17, "An Act respecting the city of Stratford."

Motion agreed to; second reading of the Bill.

TOWN OF CHELMSFORD (1)

Mr. R. Belisle moves second reading of Bill No. 33, "An Act respecting the town of Chelmsford (1)."

Motion agreed to; second reading of the Bill.

TOWN OF CHELMSFORD (2)

Mr. Belisle moves second reading of Bill No. 34, "An Act respecting the town of Chelmsford (2)."

Motion agreed to; second reading of the Bill.

CONSERVATION AUTHORITIES
ACT

Hon. W. M. Nickle moves second reading of Bill No. 58, "An Act to amend The Conservation Authorities Act."

Motion agreed to; second reading of the Bill.

MOTHERS' ALLOWANCES ACT

MR. OLIVER: Mr. Speaker, I do not see this Bill in the book at the present time.

Bill No. 74 held.

MARRIAGE ACT

MR. OLIVER: Nor that one either, Mr. Speaker.

Bill No. 49 held.

ARCHEOLOGICAL AND
HISTORIC SITES

Hon. W. Griesinger, in the absence of Mr. Cathcart, moves second reading of Bill No. 79, "An Act to amend The Archeological and Historic Sites Protection Act, 1952."

Motion agreed to; second reading of the Bill.

LAND SURVEYORS

Hon. C. E. Mapledoram moves second reading of Bill No. 80, "An Act to amend The Land Surveyors Act."

Motion agreed to; second reading of the Bill.

PUBLIC LANDS

Hon. Mr. Mapledoram moves second reading of Bill No. 86, "An Act to amend The Public Lands Act."

Motion agreed to; second reading of the Bill.

PROVINCIAL PARKS

Hon. Mr. Mapledoram moves second reading of Bill No. 87, "An Act to amend The Provincial Parks Act, 1954."

Motion agreed to; second reading of the Bill.

HOMES FOR THE AGED

Hon. L. P. Cecile moves second reading of Bill No. 102, "An Act to amend The Homes for the Aged Act, 1955."

Motion agreed to; second reading of the Bill.

CHARITABLE INSTITUTIONS

Hon. Mr. Cecile moves second reading of Bill No. 103, "The Charitable Institutions Act, 1956."

Motion agreed to; second reading of the Bill.

GAME AND FISHERIES

Hon. Mr. Mapledoram moves second reading of Bill No. 109, "An Act to amend The Game and Fisheries Act."

Motion agreed to; second reading of the Bill.

LABOUR RELATIONS

Hon. C. Daley moves second reading of Bill No. 110, "An Act to amend The Labour Relations Act."

Motion agreed to; second reading of the Bill.

MINING ACT

Hon. P. T. Kelly moves second reading of Bill No. 114, "An Act to amend The Mining Act."

Motion agreed to; second reading of the Bill.

DEPARTMENT OF ECONOMICS

Hon. D. Porter moves second reading of Bill No. 115, "An Act to establish The Department of Economics."

MR. OLIVER: Mr. Speaker, do you not think we should call a halt? We are doing pretty well, and we will have nothing left for tomorrow. Seriously, I think we should take a further look at this Bill.

Bill No. 115 held.

HON. MR. FROST: In moving the adjournment of the House, I had suggested a night session for tomorrow night, but that is not agreeable to the hon. leader of the Opposition. I have discussed with him the matter of convening at 2 o'clock tomorrow afternoon and I understand that is satisfactory.

Hon. Mr. Frost moves that, notwithstanding the provisions of rule No. 2 of the Assembly, the House will meet at 2 of the clock tomorrow afternoon.

Motion agreed to.

HON. L. M. FROST: And as I say, there will be no night session tomorrow. In relation to Wednesday, Mr. Speaker, I am not sure about the arrangements in the House, but it might be necessary to have a night sitting on Wednesday, and I will give notice of that now. However, we will hold that in abeyance. It may not be desirable. Wednesday will probably be a heavy day, in any event, and I would prefer not to have a night sitting if we can avoid it. In any event, we will see what the situation is.

For tomorrow, sir, there are the Estimates of The Department of Economics, The Department of Mines, The Department of Public Works and The Department of Reform Institutions. It is probable that the first of those 4 to be called will be The Department of Reform Institutions.

Then, sir, we will go into committee on several Bills, and if the opportunity presents itself, we shall probably proceed with The Hospitals Services Commission Bill, in connection with which the hon. member for Bruce (Mr. Whicher) adjourned the debate.

MR. OLIVER: In relation to The Hospital Services Bill, does the hon. Prime Minister not think it would be better to clear that off the order paper before the Committee on Health meets? We are going to have quite a jumble, it seems to me, if we are going to have the Committee of Health meet, a debate going on in the House and, the next day, the Committee of the Whole House.

HON. MR. FROST: I do not know that it is a bad thing for the committee to sit while the Bill is still in second reading, for this reason, that there is a very great deal of information in relation to that Bill and I am most anxious to hear any hon. members who desire to speak on it. I would say that the committee proceedings may stimulate the debate, and if it does, I would not be averse to that.

MR. OLIVER: Of course, actually it will not be decided to send the Bill to committee until the debate is concluded. It would be coming back from committee before we sent it there.

HON. MR. FROST: May I explain that the Bill was being sent to commit-

tee as part and parcel of the submission that was made here the other day. As a matter of fact, I imagine, in committee, matters which hon. members will want to look at will be in relation to the problem of hospital insurance. It is true that the Bill is a facet of that matter, but I would never have sent the Bill to committee except for the submissions regarding a study of hospital insurance which were included at the time the Bill was introduced.

Hon Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6.10 of the clock p.m.

SECOND ERRATA

(To and including March 7)

<i>Page</i>	<i>Column</i>	<i>Line</i>	<i>Corrections</i>
711	2	23	Change "handling" to "having".
730	1	32	Change "it is a federal line and they" to "this is within federal jurisdiction and the company will make its".
730	2	10	Change "because if it is, then" to "if it is an interruptible contract".
730	2	35	Change "a different amount there" to "20 elsewhere".
731	1	37	Change "are for industries" to "relate to industries".
828	1	35	Change "group" to "approved".
829	1	21	Change "as far as" to "as to".
829	2	12/13	Change "the rates to carry" to "railway rates for carrying".
848	2	last	Change "that is" to "first".



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Tuesday, March 13, 1956

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

TUESDAY, MARCH 13, 1956

2 O'CLOCK, P.M.

And the House having met.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of Bills.

THE STATUTORY POWERS SUPERVISION ACT, 1956

Mr. J. J. Wintermeyer moves first reading of Bill intituled, "The Statutory Powers Supervision Act, 1956."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, if I may make a brief explanation, I will say that this particular Bill does not purport to change any rights which people have at the present time, nor does it involve any statutory tribunal; it simply is, I hope, a genuine effort to simplify the procedure when taking any decision or act of a tribunal to the courts.

I do not want to bore the hon. members of this Legislature with a long explanation of the current legal procedure. It is an archaic one. For instance, at the present time, the methods of bringing a matter before the courts are by way of *mandamus*, *certiorari*, prohibition and the like. The

purpose of this Bill is to provide one simple, direct procedure to be used in all cases where a tribunal may have acted beyond its jurisdiction, or has failed to perform a statutory duty.

I want to emphasize this, Mr. Speaker, because it seems fundamental, and I wish to reiterate this will not involve any change in appeals, or any substance of law.

To illustrate my point, it has happened on innumerable occasions a litigant has gone to the Supreme Court by way of a writ of prohibition, for instance, and when he appeared before the court, the judge has said: "I am sorry; your case is good, and I would like to do what you wish, but you have used the wrong vehicle in coming here; you should have started your action with *certiorari*." The action then, of course, has to be started all over again, which is a very costly procedure for a citizen.

The purport of this Act is to ensure some simplified form of procedure, by way of originating notice, so the matter can easily be sent forward to a court. I hope this will assist materially and perhaps avoid such discussions as we had the other day when we were concerned about Constitutional problems having to do with the mining court, and also The Assessment Act, where we acknowledge we would like to do certain things, but cannot do them. This Bill will not solve those problems, but will simplify the means of bringing the matter expeditiously before the courts.

MR. SPEAKER: Before the orders of the day, I would like to welcome to the Assembly students from the York Memorial Collegiate Institute of Toronto, and the Northern Vocational School of Toronto.

Hon. L. M. Frost moves that Mr. Speaker do now leave the chair and the House resolve itself into the Committee of the Whole.

Motion agreed to.

House in committee; Mr. Edwards in the chair.

THE INSURANCE ACT

House in committee on Bill No. 46, "An Act to amend The Insurance Act."

Sections 1 to 19 inclusive agreed to.
Bill No. 46 reported.

THE USE OF PESTICIDES

House in committee on Bill No. 95, "An Act to Regulate the Use of Pesticides."

Sections 1 to 13 inclusive agreed to.
Bill No. 95 reported.

THE SANATORIA FOR CONSUMPTIVES ACT

House in committee on Bill No. 96, "An Act to amend The Sanatoria for Consumptives Act."

Sections 1 to 7, inclusive, agreed to.
Bill No. 96 reported.

THE CREDIT UNIONS ACT

House in committee on Bill No. 42, "An Act to amend The Credit Unions Act, 1953."

Sections 1 to 5, inclusive, agreed to.

On section 6:

HON. A. KELSO ROBERTS: Mr. Chairman, in the sixth line of section 6, the first word "shall" should read "may". I move that section 6 be

amended by changing the word "shall" to "may".

Amendment agreed to.

Section 6, as amended, agreed to.

Sections 7, 8 and 9 agreed to.

Bill No. 42, as amended, reported.

THE JURORS ACT

House in committee on Bill No. 44, "An Act to amend The Jurors Act."

Sections 1 to 5, inclusive, agreed to.

HON. MR. ROBERTS: Mr. Chairman, before the Bill is reported, I would like to say that section 1 was amended by the legal bills committee, as a result of a letter which was received from his honour Judge Cross, a former attorney-general of the province, to include, in addition to the Crown attorney and the sheriff, one justice of the peace at the drawing of the jurors. In view of this letter, it was the view of the committee, and of myself, that this amendment should be made.

Bill No. 44 reported.

THE FIRE MARSHALS ACT

House in committee on Bill No. 62, "An Act to amend The Fire Marshals Act."

Sections 1 to 4, inclusive, agreed to.
Bill No. 62 reported.

THE LAND TITLES ACT

House in committee on Bill No. 65, "An Act to amend The Land Titles Act."

Sections 1 to 18, inclusive, agreed to.
Bill No. 65 reported.

THE REGULATIONS ACT

House in committee on Bill No. 92, "An Act to amend The Regulations Act."

Sections 1 to 3, inclusive, agreed to.
Bill No. 92 reported.

THE TRUSTEE ACT

House in committee on Bill No. 93,
"An Act to amend The Trustee Act."

Sections 1 to 3, inclusive, agreed to.
Bill No. 93 reported.

THE SECURITIES ACT

House in committee on Bill No. 94,
"An Act to amend The Securities Act."

Sections 1 to 9, inclusive, agreed to.
Bill No. 94 reported.

THE CROWN TIMBER ACT, 1952

House in committee on Bill No. 72,
"An Act to amend The Crown Timber
Act, 1952."

Sections 1 to 3, inclusive, agreed to.

On section 4:

Hon. C. E. Mapledoram moves that section 13a of The Crown Timber Act, 1952, as enacted by section 4 of The Crown Timber Amendment Act, 1956, be amended by striking out the words "written declaration" in the third line, and inserting in lieu thereof the words, "statement by affidavit or by solemn declaration," so that the section shall read as follows:

13a. Every person who applies to the department for a customs clearance document relating to the export of timber shall make a statement by affidavit or by solemn declaration respecting the timber in such form as the Minister may prescribe.

Amendment agreed to.

Section 4, as amended, agreed to.

Sections 5 to 8, inclusive, agreed to.

On section 9:

Hon. Mr. Mapledoram moves that subsection 2 of section 44 of The Crown Timber Act, 1952, as enacted by section 9 of The Crown Timber Amendment Act, 1956, be amended by inserting after "may" in the first line "subject to the approval of the Lieutenant-Governor-in-Council," so that the subsection shall read as follows:

(2) Notwithstanding subsection 1, the Minister may, subject to the approval of the Lieutenant-Governor-in-Council, sell, lease or otherwise dispose of land within a provincial forest for any purpose that is not inconsistent with the purpose of such forest, or where it is deemed expedient to establish a town site within a provincial forest, he may withdraw such land as is necessary for that purpose.

Amendment agreed to.

Section 9, as amended, agreed to.

Sections 10 and 11 agreed to.

Bill No. 72, as amended, reported.

THE HIGHWAY
IMPROVEMENT ACT

House in committee on Bill No. 73,
"An Act to amend The Highway Im-
provement Act."

Sections 1 to 29, inclusive, agreed to.
Bill No. 73 reported.

THE PROVINCIAL AID TO
DRAINAGE ACT

House in committee on Bill No. 54,
"An Act to amend The Provincial Aid
to Drainage Act."

Sections 1 to 6, inclusive, agreed to.
Bill No. 54 reported.

THE HISTORIC SITES ACT

House in committee on Bill No. 79,
"An Act to amend The Archeological
and Historic Sites Protection Act,
1953."

Sections 1 to 3, inclusive, agreed to.
Bill No. 79 reported.

CANADIAN NATIONAL
EXHIBITION ASSOCIATION

House in committee on Bill No. 25,
"An Act respecting the Canadian Na-
tional Exhibition Association."

Sections 1 to 3, inclusive, agreed to.
Preamble agreed to.
Bill No. 25 reported.

TOWNSHIP OF ETOBICOKE ACT

House in committee on Bill No. 4,
"An Act respecting the township of
Etobicoke."

On section 1:

MR. T. D. THOMAS (Oshawa):
Mr. Chairman, in respect to section 1,
I think the only addition, under this
section, is "water works." The rest is
covered already in The Municipal Act,
I believe. If it would appear advanta-
geous for the township of Etobicoke to
have a Bill like this introduced, would
the hon. Minister not think at this time
it might be just as well to have the Act
amended so that it might also apply to
other municipalities?

MR. J. YAREMKO (Bellwoods):
Mr. Chairman, if I may say a word at
this time. At the time this Bill was
going through committee, I do not know
if the hon. member was present or not.

MR. THOMAS (Oshawa): No, I
was not present.

MR. YAREMKO: The committee
expressed its opinion that it seemed to
be a very worthwhile procedure. The
committee thought, however, that it
would be better to let the private Bill
be proceeded with for the township of
Etobicoke. Then The Department of
Municipal Affairs could more or less
watch the proceedings for the coming
year to see how it would work out in
practice. If experience proved it is
worthwhile, then it might be introduced
as a general measure.

MR. THOMAS (Oshawa): Very
well.

MR. YAREMKO: I am not speaking
on behalf of the Minister, but I thought
it well to give that information.

MR. THOMAS (Oshawa): Very
well.

Sections 1 to 3 inclusive, agreed to.

Preamble agreed to.

Bill No. 4 reported.

THE TOWN OF TIMMINS ACT

House in committee on Bill No. 12,
"An Act respecting the town of
Timmins."

Sections 1 to 4, inclusive, agreed to.

Preamble agreed to.

Bill No. 12, reported.

CITY OF PORT ARTHUR ACT

House in committee on Bill No. 22,
"An Act respecting the city of Port
Arthur."

Sections 1 to 4, inclusive, agreed to.

Preamble agreed to.

Bill No. 22 reported.

CITY OF WINDSOR ACT

House in committee on Bill No. 35,
"An Act respecting the city of
Windsor."

Sections 1 to 5, inclusive, agreed to.

Schedule agreed to.

Preamble agreed to.

Bill No. 35 reported.

ASSUMPTION COLLEGE ACT

House in committee on Bill No. 38,
"An Act respecting Assumption
College."

Sections 1 to 9, inclusive, agreed to.

Schedule agreed to.

Preamble agreed to.

Bill No. 38 reported.

CITY OF LONDON ACT

House in committee on Bill No. 14,
"An Act respecting the city of London."

Sections 1 to 13, inclusive, agreed to.

Schedule agreed to.

Preamble agreed to.

Bill No. 14 reported.

TOWN OF FORT ERIE

House in committee on Bill No. 18, "An Act respecting the town of Fort Erie."

Sections 1 to 3, inclusive, agreed to.
Preamble agreed to.

Bill No. 18 reported.

THE CITY OF TORONTO

House in committee on Bill No. 26, "An Act respecting the city of Toronto."

MR. A. H. COWLING (High Park): Mr. Chairman, I have an amendment to this Bill.

THE CHAIRMAN: May it be presented at the proper time? To what section does it apply?

MR. COWLING: Section 8, Mr. Chairman.

Sections 1 to 7, inclusive, agreed to.

On section 8:

Mr. Cowling moves that the Bill be amended by adding thereto the following section:

8.—(1) Subsection 1 of section 9 of The City of Toronto Act, 1949, is amended by striking out "or with the approval of the Minister of Municipal Affairs" in the second and third lines, so that the subsection shall read as follows:

"(1) The council of the corporation may, with the assent of the electors qualified to vote on money by-laws, pass a by-law increasing the partial exemption from taxation of dwelling houses in the city of Toronto, by providing that taxes and rates, except for school purposes, on dwelling houses assessed for not more than \$5,600 shall be levied and imposed on such percentage of the assessed value according to the classification of dwelling houses as the by-law may provide."

(2) Clause d of subsection 2 of the said section 9 is amended by striking

out "or with the approval of the Minister of Municipal Affairs," in the third and fourth lines, so that the clause shall read as follows:

"(d) may be repealed or amended from time to time with the assent of the electors qualified to vote on money by-laws."
and by renumbering sections 8 and 9 as 9 and 10 respectively.

Then the explanatory note, Mr. Chairman, is as follows:

Section 9 of The City of Toronto Act, 1949, gives the city of Toronto authority to increase partial exemptions from taxation of dwelling houses with the assent of the electors qualified to vote on money by-laws or with the approval of the Minister of Municipal Affairs. The amendment deletes the provision for obtaining the approval of the Minister of Municipal Affairs.

Section 9 (formerly section 8) agreed to.

Section 10 (formerly section 9) agreed to.

Section 11 (formerly section 10) agreed to.

Schedule agreed to.

Preamble agreed to.

Bill No. 26 reported.

THE CITY OF HAMILTON

House in committee on Bill No. 36, "An Act respecting the city of Hamilton."

Sections 1 to 5, inclusive, agreed to.

Preamble agreed to.

Bill No. 36 reported.

THE METROPOLITAN
TORONTO FOUNDATION

House in committee on Bill No. 37, "An Act to incorporate the Metropolitan Toronto Foundation."

Sections 1 to 14, inclusive, agreed to.

Preamble agreed to.

Bill No. 37 reported.

OTTAWA COMMUNITY CHEST

House in committee on Bill No. 15, "An Act respecting the Ottawa Community Chest."

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. 15 reported.

CITY OF OTTAWA

House in committee on Bill No. 20, "An Act respecting the city of Ottawa."

Sections 1 to 4, inclusive, agreed to.

Preamble agreed to.

Bill No. 20 reported.

PRESBYTERIAN CHURCH IN
CANADA, SYNOD OF TORONTO
AND KINGSTON

House in committee on Bill No. 23, "An Act respecting the Presbyterian Church in Canada, Synod of Toronto and Kingston."

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. 23 reported.

ONTARIO WATER RESOURCES
COMMISSION

House in committee on Bill No. 98, "An Act to establish the Ontario Water Resources Commission."

Sections 1 to 20, inclusive, agreed to.

Bill No. 98 reported.

Hon. Mr. Frost moves the committee rise and report certain Bills with amendments, and certain Bills without amendment.

Motion agreed to.

The House resumes; Mr. Speaker in the chair.

MR. J. F. EDWARDS (Perth): Mr. Speaker, the Committee of the Whole House begs to report certain Bills with

amendments and certain Bills without amendment, and begs leave to sit again.

Report agreed to.

The House, on order, resolved itself into the Committee of Supply.

ESTIMATES, DEPARTMENT OF
REFORM INSTITUTIONS

HON. J. W. FOOTE (Minister, Department of Reform Institutions): Mr. Chairman, in presenting my Estimates to the House, I wish to avoid the controversial atmosphere which has characterized consideration of my department throughout this session. Perhaps it is wishing too much, but I live in hope.

Great stress has been laid in some quarters concerning "basic attitudes", and that is exactly about which I wish to speak today, because I, too, consider that our fundamental thinking is of vital importance in this work. I say that on behalf of myself, and all my officials.

In this Legislature and throughout Ontario and the other provinces, we have heard so often this dreary refrain, "reformatories do not reform," and always, when it is pointed out that in some institutions up to 80 per cent. are reformed, the answer is always the same: "What about the rest?" Why are they not reformed? Why indeed? That is a question which everyone should ponder and with which I shall attempt to deal.

If those who are interested in this subject—our questioners—are reasonable people, they should ask some other questions. Why do not doctors and hospitals cure? But, you say they do—except for people who have chronic diseases, who are hopelessly ill, or who will not follow the course of treatment prescribed, who will not co-operate, and who in spite of good advice continue courses which are prejudicial to their recovery.

The doctors in the hospitals do their best, but this type of person is not curable. You might ask why churches do

not reform? But, you say they do—except for those who will not accept the authority of the church and the Scriptures, or those who persistently accept a standard and a way of life which is opposite to that which the church teaches.

Our Lord in His own day viewed with sorrow those people with which he could do nothing unless they repented. He explained to His disciples that good seed could produce great crops or it could produce nothing. He said that, "some fell on stony ground where it had not much earth, and immediately it sprang up, but when the sun was up, it was scorched, and because it had no root, it withered away." You will find that the most hopeful Man who ever lived had some very realistic and hard-headed views. He was willing and anxious to heal men in their souls and bodies, but He was powerless unless they were willing to take His prescription.

On one occasion a man, who had been ailing for a great number of years, explained his predicament by saying that when he was trying to get down into the healing waters, those who were stronger always pushed by him and prevented him. The world was always against him and he apparently had no friends. Instead of sympathizing with the view that the sufferer was all right, but the world was all wrong, He asked him one searching question, "Do you want to get better?" In a great flash of insight, the man saw what was really the matter with him, and he was healed.

You might ask again: "Why do schools and universities not educate?" But, again you say they do! Did you ever hear of them educating people who were lacking in intelligence or diligence? And have you not met people who, although they could produce a diploma, were unable to succeed in their profession, or to create the impression they were really educated?

And now coming closer to home, what about our own profession—that of politics? Legislatures and parliaments have done much to create a better world.

That is true without doubt, but I ask you again, have they abolished poverty or disease; have they prevented wars; have they found a way to distribute huge surpluses of food to those who are hungry? Have they found a way to create happiness and the highest good of their people? Aristotle in his *Politics* has declared this must be the aim of politicians.

I would ask you again, who have chosen this as your profession, whether you are overwhelmed by the successes which have been produced—or are you sometimes haunted by the failures that can be laid to our board?

A short time ago I attended the opening of the new headquarters of the Salvation Army in Canada. It was a most impressive ceremony in which the general of the Salvation Army gave an address.

Referring to the splendid and well-equipped building, he said that the real heart of the building was where you might expect it, the penitent bench, to which despairing people who had lost faith in their own powers came in repentance, to confess their sins and entrust their lives to the power of God.

I would say, Mr. Chairman, that was pretty decent. That, to me, is "reformation."

The Salvation Army certainly reforms but it doesn't reform everyone, any more than the church does. It could, but it doesn't. Why? I think you know the answer.

We have heard some talk in this House about the necessity of a sound basic philosophy. The things that I have been talking about will give you an idea of what I consider as basic. This is the foundation on which we must build, if we are to reform people, that is, people who are in trouble but have the willingness to face up to their own position, honestly, straightly and who have a sincere desire to do something about it. If people have not that basic philosophy, nobody on earth can reform them. That is basic and that is the first thing I have in my mind.

To go on from here, I will tell you what I have considered necessary in the running of this department.

I shall see that all prisoners or inmates are adequately fed, housed and clothed, and that they have every opportunity to improve their education, both academic and vocational. I shall see that they have spiritual and professional guidance, that they have all necessary medical and dental care, and that they, if they have the inclination, have a number of institutions designed to give them special training. I shall also see that they have specialized treatment for any addictions or personality disorders which may hinder their reformation—and finally, when they are discharged, that we give them assistance in finding jobs.

This is a pretty comprehensive programme, and as proof that it is being carried out, I wish to speak at some length about one of our new and significant institutions, which we have now had time to evaluate after 4½ years—the Alex G. Brown Memorial Clinic for the treatment of alcohol addiction.

I think hon. members are familiar with the trade school at Brampton which has now been running for 8 years. The 8-year survey shows that 85 per cent. of those who have gone through the school have been successfully rehabilitated. Hon. members must remember that it is not only 85 per cent. of 130-odd who go through the school, but they are chosen from a large group, comprising perhaps 850. Those who go to Brampton are selected because they have the right basic attitude, they want to get better and do something about their condition, and the facilities exist there for their use. I may say that we have more accommodation in the Brampton school than we can use.

I have sometimes suggested we ease up a little in the screening process, and take more chances with those young men. The result has been, in every case, that the successful work with others in the institution has been retarded, and it has been found that the

screening has to be such as will sort out those with the right basic attitude from those in that institution. I say it is the screened person who is on trial, not the institution itself.

I have spoken about the trade school at Burtch, but it has not been in existence long enough now for us to have any significant records. This trade school is for those whose intellectual attainments are below those who go to the Brampton school. I might say, speaking of professional help, that we have been very fortunate in this school to have a young man who has an MA degree and is just completing his doctor's degree, and who has studied in the College of Education here. He is very interested in this type of work, and I hope he may be retained as director of education for all the schools, because the method of treatment is quite different, as can be understood, from that which is prevalent in ordinary schools. The stress is upon mathematics and English, primarily, as well as history.

I visited this school for a whole day, and I was very much impressed with the attitude of the students who are there. Their motivation is good, although their attainments may not be as high as some of the others. I had discussions with them, and asked them if they wanted anything more than they had.

Some of them made very useful suggestions. One suggested they have more practice in the reading of blueprints. I answered that we did not have a man on the staff, and that we could not have a man on full time for that, but I could get someone there from Brantford to teach them, if they were willing to come back at night. They said they were, and arrangements were made for that.

Some of them said they did not like the atmosphere of the place because of the way the guards were taking them from one place to another, from their meals to their classes, and so on. I said, "You do not need the guards to take you back and forth, if you will accept the responsibility. I will be glad

to get rid of the guards and use them somewhere else." They have gone there from what might be described as a "more strict institution," and have been gradually helped to rely upon themselves, to use their own judgments, and accept their own responsibilities, and I have been very pleased with their behaviour.

I will speak about the Millbrook Centre later. We expect it to be opened later in the summer. It is a great institution, as far as the building is concerned, but it is going to be a problem to secure the staff which will be needed. For a treatment centre for psychopaths, we need at least one good psychiatrist on the staff, as well as part-time specialists. We need a good staff of psychologists and social workers as well, and I think we will be able to recruit them. We have already had some success to date. I am making some preparation for when I go to the Old Country this year, and I hope to be able to recruit a substantial number of well-trained people there.

The Mental Health Centre at Guelph was started a year ago and the progress has been satisfactory, although we have been feeling our way and we certainly have not sufficient staff at the present time to do all the things we want to do. However, I am beginning to feel more and more that these professional services should be directed to smaller areas, where they are really needed, and where they can be effective, rather than spreading them over the whole general area, simply in order to satisfy the public demand for these things.

For some months now we have been running the Mental Health Centre at Mercer, which is a small unit and will deal with 100 girls a year.

I was at Mercer myself last night. In this clinic there were 3 people from Alcoholics Anonymous who spoke, and who made a great impression. The Alcoholics Anonymous workers are used in addition to a permanent psychiatrist, psychologist and social worker, who are dealing with these women.

The Drug Addiction Clinic, which was started a few months ago, has hardly got under way as yet. It is strictly a research project about which nothing more significant can be said for at least another year, and perhaps longer.

We have 3 new institutions under way this year. The plans are completed, and tenders are being called for. One is for what I have termed "incorrigible girls", but the term did not "go down" very well here. To show that I am trying to be agreeable today, we will call them "problem girls", who are presently at the training school at Mercer.

I am very glad indeed to announce that after considerable searching we have found a superintendent for this new school, a young woman who is a graduate of the University of Edinburgh, who has an MA degree and who is a graduate of the School of Social Work, and also a registered nurse. This woman has had a great deal of experience, and I think we are fortunate to secure her. She will recruit her own staff, and formulate her own programme for this school, which will deal with the "problem children", who now have to be sent to Mercer.

This young woman is beginning her duties the middle of this month, and will be going to Mercer first to get an idea of the work done there, and particularly the types of girls who are in the training school. After that, she will go to Galt to study the school there, and by the time she has completed her studies there, we expect to have the new institution open.

The second institution is for the "problem boys", and the third is for a select group who will be taken from Mercer.

I want to say just one word about the results of our training schools. In Cobourg, we have a rehabilitation rate of 70 per cent. I would like to read an excerpt from a letter dealing with the school, which was written by the inspector of public schools for the counties of Northumberland and Durham, Mr. Carlton, for whom I have a great deal

of respect, one who knows a great deal about these things. He says:

There was a time when I thought that these institutions were penal in their purpose but before the end of my first visit I realized that Ontario intended them as homes of opportunity pointing to a new way of life. Such realization has engendered further pride in the government we serve. To have some part in contributing towards these opportunities has been a source of genuine interest and of real satisfaction.

It is very encouraging to receive a letter such as that, which is backed up by the percentage rate of rehabilitation which I have given you, i.e., 70 per cent.

I would now like to say a word about the Training School at Galt, and its rehabilitation work. There, the rehabilitation rate is 49 per cent. I consider that this school, working with girls and women, has been a far more difficult project than that encountered in dealing with boys and men. I have a report here from the Training School at Galt, which was just handed to me, dated March 1. First, I might read an excerpt from a letter by Dr. Brancale, who also visited the Training School section at the Mercer. Dr. Brancale was head of the diagnostic centre of New Jersey, and is considered one of the world's outstanding men in this field. Speaking of his visit, he says:

I also wish to let you know that I had a very pleasant impression of your women's reformatory. If people on the outside would only have the opportunity to see what is actually going on within our institutions, it would be possible to reduce some of the uninformed criticism which is usually levelled at us.

Speaking of the Galt school, hon. members will remember the province is a joint guardian of these young people, with the advisory board. The advisory board meets once a week to consider and review all the cases which are brought before it, and occasionally they visit the schools themselves.

I would like to read a letter written by Dr. Bennett, chairman of the board, referring to a very recent visit:

Four members of the Training Schools Advisory Board, Mrs. C. R. Sanderson, Mr. Wallace Murdoch, Dr. C. H. Lewis and Dr. J. M. Bennett, visited the school on February 21, 1956. In our opinion, the whole institution has been greatly improved; in the training programme, in the general good attitude exhibited by the girls, in their general appearance in the classrooms, in vocational rooms and in the housekeeping.

We like Miss Bentley's incentive system, inspiring the girls, as it very evidently does, to good moral attitudes and work habits. Quite evident, also, is a definite plan teaching them how to live and work together. Miss Bentley is to be highly commended for releasing the superintendent's residence for home economics instructional purposes. Having a complete household helps this programme very considerably. A graduate in household economics of the University of Toronto is in charge of this instruction and training.

Extra-curricular activities and interests in culture and sports give plenty of opportunities for individual development; the school choir, the CGIT, the painting group, the cadet corps, the special library for personal reading with the co-operation of the Galt Public Library, the hockey team (the school has an excellent rink), and the volley ball team.

The school provides for grade work in the Ontario school course of study and for some commercial work and typing, directed by very capable teachers.

The housekeeping appears to be excellent. The board doubts if any school, private or public, in the province is in any better condition in this regard. The distinctive dress of the girls is certainly a marked change for the better.

The problems presented to the school are of considerable magnitude

when one considers the spread in the intellectual capacity of these girls, their low academic standards on admission, and their anti-social behaviour and inadequate adjustment in their local communities before commitment. We consider that in the short time since Miss Bentley has been appointed, she has planned well and accomplished much.

I would like to read, as well, a letter from Miss Mellanby, the women's prison commissioner in England, who is an outstanding authority. The letter was written to my Deputy Minister. I might say it was a most welcome letter for him to receive.

I am afraid you are having a bad time with your extremely unsympathetic critics, who don't seem to realize that unstable adolescents in particular cannot accept the responsibility of self-discipline at the beginning of their training and must be given the security of an imposed discipline.

Considering the size of Galt and the youth of its inmates, it is a tremendous job to run it at all, and to treat those uncontrolled young things as though they were responsible adults is asking too much of them. I am all for increasing freedom and responsibility and for extending outside contacts, but the whole place must be under control and the girls must know it.

Speaking of one of the very fine women from the Women's Committee on Penal Reform, who visited England last year, Miss Mellanby says:

I never managed to meet Mrs. "Blank," when she was over in the late autumn, but I asked the governors of the places she visited to emphasize the fact that East Sutton and Millwall, the open places, exist and flourish because behind them stand Anglesey and Holloway, the closed ones. We could not possibly run them as we do unless we could choose their occupants and also return the unsuitable to closed conditions.

As long as you have only the Mercer and Galt, therefore, I cannot see how they could be put into open conditions, although probably half the inhabitants of each would be perfectly fit for these.

I have the feeling the new institutions we have planned, and which will be built this year, will materially help this situation and enable us to do our best for the people who need it the most.

The Training School at Guelph has a rehabilitation average of 42 per cent., the Training School section at Bowmanville has 63 per cent.

I think this speech demonstrates that in some ways I am very old-fashioned, and in some ways very modern in my approach. I must say that in all institutions there will be firm discipline, and all inmates will be required to have respect for authority, and must be taught to accept responsibility. They have to have a sincere desire to do better before anything can be done for them. I am all in favour of treatment for those who need it, and those who are ill, but we are faced with great difficulties. We certainly have need for a staff to do intensive work. I would like to quote from one of the authorities on this question of juvenile delinquency, Dr. Sheldon Glueck. In his book *Unraveling Juvenile Delinquency*, he says:

By the time correctional agencies are called upon to cope with persistent delinquents, the roots of emotional and behaviour maladjustments are deeply imbedded in personality and character.

Official statistics show that high percentages of prisoners are recidivists.

You will find that is so in other jurisdictions in the United States and almost everywhere on the continent or in the Old Country. It does not happen only here. Everywhere one goes one sees, in the prisons, those who have been in reformatories or training schools. The implication is that delinquency is deep rooted, and this is the reason why present methods of correction are, to a large extent, ineffectual.

A probation or parole officer, or a superintendent cannot reform a delinquent, when the propulsions to maladjustment are often unknown to either the offender or those charged with his rehabilitation. Even the most skilled therapist often requires daily contacts over a period of from 1 to 3 years before he can hope to understand and cure. I think this gives some indication of the magnitude of the task which is before us, and also the great need for institutions where these cases can and will be given the treatment and care they need.

I would like to speak briefly about the Alex G. Brown Memorial Clinic. During the 4½ years that this clinic has been in operation, 1,347 patients have been treated there. As it was the first clinic of its kind in the world, it has attracted a good deal of attention. Most provinces in Canada, in many states in the United States, and other countries have, since it opened, sent official representatives to study what we are doing there.

I remember 8 years ago I went to Yale to study this very thing, and sent our men down there, and today one of the lecturers at the summer school at Yale on the subject of "addiction in penal institutions" is our own chief psychologist.

I have a report which is long and I am not going to read all of it, but in it he points out that most of us, when we think about people who are undergoing sentence for breaking the law, are inclined to think of, and to call all such people "criminals." One finds a great many types of people with many different kinds of personalities in prison, but there is a distinction which should be borne in mind, and that is the distinction between a "criminal" and a "law violator." If one accepts the definition which says that a "criminal" may be defined as "one who preys on other people or social institutions habitually and consistently without regard for the ethical, moral and legal code accepted by legitimate society," the minority in our institutions are criminals. If we pause for a moment, and seriously reflect on the term

"law violator", what citizen can claim the term has not at some time or other been applicable to himself, just speaking of traffic violations, or the matter of a mild kind of smuggling over the border?

Last year, 50 per cent. of the adults who were committed to undergo sentence in our reformatories and industrial farms were sent there by the courts because of their excessive use of alcohol, and for illegal possession of, or dealing with it. You wonder why I make so much of the Alex Brown Memorial; it is because it is closely tied in with the over-all problem. Of the 10,341 adults who were committed during the year to industrial farms and reformatories, 4,855 were committed for breaches of The Liquor Control Act; 245 for being drunk and disorderly; 51 were committed for drunk driving, and 30 for driving while their ability was impaired. That amounts to 5,181, or 50 per cent. of the total committals.

The figures for Ontario of those committed as wards of the training schools, to the county jails, to reformatories and industrial farms, amounts to over 50,000. When we hear people speaking about an estimated 51,000 people who should be sent to jail, it is necessary to remember that a good many of them are in jail for a period of only 2 or 3 days, 7 days, or 2 weeks to a month, but when considering the industrial farms and reformatories, there are only about 10,000, and half of them are there for breaches of The Liquor Control Act.

During the year, 6,000 people were placed on probation, which really means that we have had 1,000 more on probation than we have had actual criminals in our reformatories and industrial farms. I am "all for" the extension of the probation system, and I submit it is already proving very effective. The extension of the probation means that the most likely element, the most reformatory type, will be weeded out and not sent to reformatories. It also means that more and more are we getting into that hard core which is difficult to deal with, and it is going to take a great deal of work to maintain our rehabilitation rate.

There are some interesting things which have come out of our study of these people who have been sent to jail because of alcohol. One of those things is the various drinking types that we have. The first type is the primary addict, the sort of person who has a deep-seated personality problem, and because of this, goes on from social drinking to addiction to alcohol, and I think some people go on to the committing of crimes, and leading lives of criminals because of something similar. The experience we have gained in dealing with alcoholics is helping us in many ways.

The second type is the secondary addict who essentially has a normal background, but through excessive indulgence forms an addiction. This man may not be a criminal at all. The third type is the symptomatic addict, one whose heavy drinking is really just a symptom of some other type of illness, such as psychosis.

The fourth type is the mentally-defective addict, and, as the name implies, he is one who has a mental handicap which has proven so frustrating that he has turned to alcohol. That emphasizes the need for more schools and classes for retarded children. Not only do some of these people turn to alcohol in an endeavour to overcome their frustration, but some of them turn to crime.

The fifth type is the chronic alcoholic who has, through long excessive use of alcohol, developed definite signs of both mental and physical deterioration. We have a great many of these now in the new institutions. One of the new buildings we hope to build this year, to complete the group at Mimico, is one where we should be able to house many who come within that category, people who are simply "burned out" mentally and physically, and who are completely de-socialized.

Here are some of the results: of 1,340-odd cases which have been treated, 48 per cent. have had no relapse since their treatment; 13 per cent. have had from 1 to 3 relapses; 39 per cent. show little or no improvement.

I have no doubt but what the 48 per cent. will decrease. Hon. members will remember that group is a much more difficult one than would ordinarily be found in a cross-section of civilian life.

I have here some interesting results of a study which was made of 188 consecutive cases which were treated at the clinic in 1953. The following very interesting facts have come to light: the fewer convictions a person has had for breaches of The Liquor Control Act, the more likely it will be that treatment will be successful.

For example, if a person has had 9 convictions, or less, for breaches of The Liquor Control Act, the chance of success is 3 to 1. If, however, he has had between 10 and 20 convictions for breaches of The Liquor Control Act, the ratio drops to 2 to 1. If a patient has been convicted of breaches of The Liquor Control Act only, there is more likelihood that he will respond to treatment than there is if his record shows a number of indictable offences as well.

The chances of success in the former instance are 3 to 1, while in the latter, it is 1 to 1. Thirdly, the sooner a person who has become addicted to alcohol recognizes this fact and seeks treatment, the greater chance he has of being treated successfully. Patients who have been heavy drinkers for less than 9 years have been found to have a 3-to-1 chance of being helped by treatment. With those who have been drinking to excess for more than 10 years, the success ratio drops to 2 to 1.

Fourthly, we have been most successful in treating people in their 30's and least successful in treating people in their 20's. Unfortunately, it may be true that while some 20-year-olds may have a serious drinking problem, they still do not realize how serious it may become. Our studies tend to indicate that it may be easier for a person to regain sobriety under treatment, if they do not remain in a large urban centre. It is surprising to note the increased rate of recovery, when people go to smaller centres, and how the level drops when they stay in urban centres. I

think a study of the odd 1,350 cases we have today will show there is a very good field for research by social workers.

We have had the greatest degree of success treating essentially normal people, who have, after long excessive drinking, become addicted to alcohol. In the treatment of mental defectives, the result has been 100 per cent. failure. These, I think, are interesting and significant findings.

It is too soon to report on the effectiveness of most of these undertakings, but this can be said without fear of contradiction: there is no place on the face of the earth today where such a diversity of treatment facilities are available to a person, who is undergoing sentence for breaking the law, as in The Ontario Department of Reform Institutions.

It is our hope in the years to come that these treatments will play a greater and greater part in restoring inmates to health and socially-acceptable behaviour, and enabling them to lead useful, happy, law-abiding lives.

Let me say, as I have said before, regarding professional treatment, we have already begun too much, rather than too little. It will not be possible to begin any further programmes until we have consolidated what we have under way. I would say this consolidation will take, at the very least, 3 years—the life of this Legislature. However, if we can be left in peace, our difficulties will be resolved, and we will have a correctional system which will be second to none.

MR. D. MacDONALD (York South): Mr. Chairman, the Estimates of the department have brought an opportunity to come to grips with some of the specific aspects of the department's work which was impossible in previous discussions on reform institutions. I am quite willing to accept the hon. Minister's challenge, if that is the correct description of it, that we should attempt in our discussions, today, to rescue this discussion from the great turmoil and controversy that has charac-

terized it until now, and I hope I shall be successful.

I am not going to deal particularly with what the hon. Minister has dealt with this afternoon, but it is, in part, a rebuttal—or what the hon. Minister thinks is a rebuttal—of some of the points and problems which I have been—

HON. MR. FOOTE: I did not mean it to be a rebuttal, but simply a statement of my own faith.

MR. MacDONALD: Very good, I would like to have heard a somewhat more detailed discussion of some of the problems raised, not only by myself, but by as important a body as the Canadian Association of Social Workers. However, perhaps that will come later on in the discussion. I make this one comment on what the hon. Prime Minister has now described as his "basic faith and approach to this ideal," but I can say this unprovocatively, that it rather confirms my fears and those of many people as to the inadequacies of the approach to reform institutions in the province of Ontario.

The hon. Minister has stated that the people they are attempting to reform must have a willingness to face up to what is wrong with them. To a certain degree, undoubtedly that is the case, but I want to suggest very strongly that penitence is not the only ingredient in getting reform.

HON. MR. FOOTE: It is useful.

MR. MacDONALD: It may be useful, but it is not the only ingredient of, and not the only basis for it. The very fact that the suggestion is made in an expression of basic faith that the responsibility rests so completely with the offender, that he must see the errors of his ways, seems to me to reveal precisely what I have been trying to say for the last couple of months, namely, an inadequacy of recognition of the fact that these people in many institutions are ill to a degree, and if you discover what that illness is, you

can treat it. It is not something that comes so completely from within the individual, it comes from outside, from within the institutions and the programme that is provided.

HON. MR. FOOTE: Have I not been trying to say both those things this afternoon?

MR. MacDONALD: All I am saying, Mr. Chairman, is with the emphasis the hon. Minister has put on penitence as being the major ingredient for necessary reform, I think he has unwittingly revealed the lack of emphasis the department is putting on the treatment programme, and the corollary of it is if they are not penitent, then they just must be punished.

HON. MR. FOOTE: They will be taught by life itself.

MR. MacDONALD: Let us not be so vague, for in so doing, we are missing the point with which we are trying to deal. To get to the 3 points I was going to raise at this stage, the others can be dealt with on specific items of the Estimates, but the 3 points I want to raise at this time are these:

First, I want to suggest to this House that if this department is going to achieve the objects set out in the Ontario plan instituted in the latter 1940's, and continued to this present time, there is a hopelessly inadequate number of professional personnel to build a treatment programme, and the importance of professional personnel and what they can do to initiate a programme is unquestioned. I want to cite a quotation from the report of the select committee, which came out 2 or 3 years ago. On page 212, they have this to say:

It is impossible to over-emphasize the need for detailed and individual studies of each inmate. When such studies are not available, institutions must give much the same treatment to young and old, penitent and recalcitrant, minor offenders and hardened criminals. That this situation should have been allowed to persist in most

of our institutions is regrettable, and to allow it to continue in future would be absurd. Classification forms the foundation for successful custody and successful reformation.

On the next page, there is this one sentence, referring to Dr. T. P. Dixon, who is director of the Mental Health Clinic, Sudbury, and consulting psychiatrist at Burwash Industrial Farm. This is in reference to what Dr. Dixon had said:

—he urged strongly that there should be more exact recognition of individual differences, with treatment varied accordingly.

My contention is that one cannot build up any kind of treatment programme until one has consulted with a far wider range of people with professional qualifications — psychologists, psychiatrists and social workers — who can, with the imperfect techniques which have been developed to a rather amazing degree, find out what makes a person “tick” or why he is not “ticking”, in a normal fashion.

Mr. Chairman, I am not sure if my figures are absolutely right and if they are seriously wrong, the hon. Minister can correct them in his comments later. I understand the situation in the department at present is that we have one chief psychiatrist. If the statement in the new Department of Reform Institutions report is correct, I judge that he heads this department, and the psychologists come under him—in fact, it is all in one department.

HON. MR. FOOTE: We have a chief psychologist.

MR. MacDONALD: I realize there is a chief psychologist. Apart from the chief psychiatrist, at the department in Toronto, I think I am correct in saying that we have only one other full-time psychiatrist operating in the institutions, and that is at Guelph. We have a number of part-time psychiatrists in many of our institutions.

I wish to draw attention to the comment made by Dr. O'Connor, part-time

psychiatrist at the Kingston Penitentiary, when he was giving testimony before the McRuer enquiry a few days ago. He said that, as a part-time psychiatrist, his time was spent almost exclusively on classifications, to a point where he was able to make no contribution at all—or very little—to treatment. In other words, while it is possible part-time psychiatrists may be able to classify and sort out some of the people who have a basic problem—such as alcoholics, when they are sent to an institution—we have in our Department of Reform Institutions only one chief psychiatrist, and one full-time psychiatrist for all our institutions. We have a chief psychologist, and under him we have, I think, 6 or 7 other psychologists, in various institutions. We have, for example, one psychologist in Burwash, trying to do a proper job, with something in excess of 700 men. He may be engaged full-time, but I suggest to the House that he would not be able to do little more than classifications, and would not be able to follow the cases to the treatment stage, because one man trying to deal with 700, is “licked” before he starts, if hon. members are thinking in terms of treatment.

We have one full-time social worker—at the Mercer.

MR. WARDROPE: How many should there be?

MR. MacDONALD: I cannot answer that.

Mr. Chairman, we have at the present time, apart from the main office, one psychiatrist, about half-a-dozen psychologists, and one social worker, in addition to a few part-time people. I suggest to the hon. Minister, and also to the hon. Prime Minister, that we might as well face the facts. One cannot build an effective treatment programme with a limited staff of that kind.

Mr. Chairman, the point which worries me, quite frankly, is that we are trying to work out a more effective programme with this inadequate staff, yet the point the department is emphasizing most particularly, under the pressure of public controversy within the last couple of

months, is that it is opening up 4 or 5 more institutions.

After 6, 7 or 8 years' operation of the “Ontario Plan,” professedly based on the objective of treatment, if it has not been able to find professional people to build the programme—for reasons which, in part, are inherent in the department, from its attitude toward professional people—how does the department suddenly believe it can secure an adequate number of people to staff Millbrook, and all the other new institutions?

I suggest we are headed for another group of buildings composed of brick and mortar, but giving very little treatment, because we will not have adequate personnel to provide the treatment.

MR. WARDROPE: What is the answer?

MR. MacDONALD: Mr. Chairman, one of the answers is that if the department wants to secure sufficient social workers, we should not have a debate, such as we had in the House a couple of weeks ago, when the hon. Prime Minister 3 times dismissed a letter from the Association of Social Workers with the comment “nonsense.” And another hon. Minister maligns, in vicious fashion, one very great social worker, who is a professional penologist.

If it wants to secure the confidence of social workers, it does not do that kind of thing. Also, it does not put on the fantastic spectacle as revealed by one flash of the Van Nostrand letter. There is the answer.

HON. G. H. DUNBAR (Provincial Secretary): I have a letter from the friend of the hon. member in 1948. He might be surprised to read it.

MR. MacDONALD: I publicly read the letter.

HON. MR. DUNBAR: But the hon. member should read this. He wrote to me on March 8, 1948.

MR. MacDONALD: I would be glad to read it. Perhaps the hon. Provincial Secretary will give me a copy afterwards.

Mr. Chairman, I am desperately attempting to keep out of controversy, even with such a genial person as the hon. Provincial Secretary.

HON. MR. DUNBAR: The hon. member cannot stand the facts. He will not listen to facts. He wants hearsay.

HON. M. PHILLIPS (Minister of Health): May I ask the hon. member whether he considers the inmates of our reform institutions as being sick people, that is, psychopathic or psychotic, or what?

MR. MacDONALD: Not all.

HON. MR. PHILLIPS: What percentage? The hon. member is stressing the number of professional and semi-professional personnel. I have been in the medical profession for a long time, and there is no one more than myself who realizes the need for psychiatrists, psychologists and social workers, and all the rest, to form a team. However, in spite of the remarks by the hon. member, no one could help but feel these people have to be dealt with, the same as a doctor deals with a sick person, that is, by making a diagnosis as to what is wrong with the person. We know that most of those people are psychopathic. So far, science has not found the answer nor the treatment for these people. They do not live within the social pattern of behaviour of normal individuals. That is true with most of them.

There are a few who are otherwise. I can say we realize the hon. Minister of Reform Institutions has done a terrific job. He has, in the last 2, 3 or 4 years, done something practical and concrete towards the treatment of these cases, such as alcoholics and those who are psychotic, or suffering from some sort of psychosis. It is not his fault that our professional personnel are in short supply: it is the fault, first, of the depression and then the war. One must remember that it takes 3 or 5 years to become a psychiatrist after 6 years at university.

MR. MacDONALD: The hon. Minister can make his statement later.

HON. MR. PHILLIPS: Mr. Chairman, just one moment. It takes that time for a man to become a psychiatrist. I am very happy to tell the House we will be getting more and more of this type of professional personnel, and they will be able to try out the hon. Minister's policy. Within the next year or so, we will have enough qualified people to do the job.

MR. MacDONALD: Mr. Chairman, that display of easy optimism cannot go completely unanswered. The fact of the matter is that, in the last few months, 3 psychologists have left because of a basic lack of confidence, to a considerable degree, in the department.

HON. MR. FOOTE: Mr. Chairman, let me correct that statement. One of the men who left has gone to take up post-graduate work, and is looking forward to the time when he will be back.

MR. MacDONALD: There is no point in ignoring the fact that the morale of the professional staff in The Department of Reform Institutions is extremely low.

HON. MR. PHILLIPS: That is not true, Mr. Chairman.

MR. MacDONALD: It is true.

HON. MR. PHILLIPS: It is not a true statement, Mr. Chairman.

MR. MacDONALD: It is true.

MR. JACKSON: Let the hon. member prove his statement.

MR. MacDONALD: I cannot, by the very nature of it. We have had a dogmatic, easy, optimistic assertion made, which cannot be proven. I am putting against that the equally dogmatic suggestion that the morale in The Department of Reform Institutions amongst professional people is exceptionally low. If the hon. members wish to "kid" themselves that it is not, they will never be able to build up the kind of programme that is necessary.

HON. MR. PHILLIPS: The hon. member has just said there were no professional people.

MR. MacDONALD: There are 2 psychiatrists, including the chief; there are 6 or 8 psychologists, including the chief; and one social worker — apart from the social workers who happen to be superintendents — to look after 13,000 people in reform institutions, industrial farms and reformatories, to deal with people who come and go for short or long terms, over the years. These are the figures contained in the report.

Ten or 12 professional people cannot do the necessary work. I suggest to a professional person, like the hon. Minister of Health, that they cannot do an adequate amount of analysis; or, if they could do the analysis, they certainly would not be able to provide the required guidance and treatment programme, necessary in dealing with thousands of persons.

MR. D. KERR (Dovercourt): Mr. Chairman, would the hon. member answer a question as to the number of psychologists and psychiatrists there are, for the schools in the city of Toronto, and what staff they have in the city of Toronto health department, to look after one city? Would the hon. member make a comparison?

MR. MacDONALD: The simple answer is that they are dealing with normal children there, who do not need so much attention, and that is only regarding a percentage of the children in Metropolitan Toronto. Here they are dealing with people who are abnormal.

MR. KERR: They do not need it?

MR. MacDONALD: A large percentage of school children do not need it. However, I have made my point, and others have made theirs, and we will see, in the fullness of time, which is the more accurate.

Mr. Chairman, there is a second problem I wish to raise, which is exceptionally difficult, but, which has to be faced

up to, before we have a repetition of the consequences, such as we have had in the last couple of months.

Many hon. members of the House, particularly lawyers, may be familiar with the fact that some months ago, a young lad was let out of Kingston Penitentiary. The professional people stated this man was definitely disturbed mentally, and would get into trouble again. The case was that of Keith Bayliss.

Shortly afterwards, he committed murder. He was about to be hanged, but the lawyer who handled the case throughout, was able eventually to obtain commutation of the sentence from Ottawa.

I want to raise this problem in another context, to illustrate what has happened in the last 3 months in the province of Ontario. There are elements in this which may be critical of the department, but I hope the hon. Minister can rest easily, because I recognize we have a problem here, the answer to which is not simple. I suggest, however, that we have drifted with this problem long enough, and that we must get some sort of answer—at least to part of it.

On the last day of December, 1955, a young man arrived at the Union Station after he had been released from Guelph. He was met by his mother. This young man had been before one court or another from the time he was 14, starting with the family court. On two occasions, he was sent to the Toronto Psychiatric Hospital, and on each of those occasions the report indicated "mental unbalance," "subject to delusions" and various professional descriptions of that nature.

A year ago, on February 4, he was charged in Toronto with attempting to break in, and was sentenced to one of the industrial farms. He disappeared. His mother did not know where he was. Some 4 or 5 months later, when his father was dying—the mother and father were separated—a friend of the mother engaged a detective to find out where the boy was. They found that he was at this industrial farm, and

efforts were made to enable him to see his father before he died, but they were not successful.

When the mother discovered where he was, being convinced that he was mentally ill, she went to various people in the department, starting with the Deputy Minister, and through to the chief psychiatrist, and sometime later—in the last week of December—this man was moved from the industrial farm to the Neuro-Psychiatric Clinic in Guelph. On the last day of December, he was released from Guelph.

This was one day after his mother had called up and asked how he was, and was given the information that he was quite quiet then, but had been a little difficult during the previous week. She asked if he was going to be released and they said, "Yes". On the last day of December he was released. His mother met him and took him home. He sat in a chair, and immediately began talking about "tubes in the stomach," accusing her of "not being really his mother," saying he was "an adopted child," and that "money was involved in the situation," and so on. Without going into the grim details of this matter, this woman, for one solid week, had to cope with a boy who had been turned out of one of our institutions.

The official record of this boy in the institution states very definitely that he was mentally disturbed, and that he was potentially dangerous. But he was released and his mother had to look after him throughout that week. She had her own private physician come in, and was trying to get the Salvation Army to help her, and she went through all the elaborate machinery required to get the boy committed to a mental institution again.

For the final two days of that week, she sat up all night, after her private physician had given the boy some sort of an injection. It was necessary to do that, because on one occasion in that week, at 2 or 3 o'clock in the morning, he got into fisticuffs with people in the house, and it was only out of consider-

ation for the mother that serious difficulty with the police was avoided.

To make a long story short, and without going into details, I sat for some 3 hours getting the details of this fantastic ordeal. After a week had passed, this woman finally was able to get the boy back into the hospital at Whitby. That was exactly one week after he had been released from Guelph.

There are 3 things which puzzle me about this. The first two will always puzzle me; the third one is the problem I want to raise now. The first question is why he was released at all. The second is why he was released 5 weeks before the end of his sentence, crediting him with his good behaviour time. The fact of the matter is that the week before he was released, he had smashed every window in the room.

Therefore, clearly he was mentally disturbed, and equally clearly, if the authorities wanted the simplest of excuses to take away his good time, and keep him in, and give him treatment, they had the very best reason. People have lost their good time in our reform institutions for infinitely less than the smashing of all the windows. They released him 5 weeks ahead of time. Here I get to the point which represents the basic problem—and I am not presenting it in a critical or argumentative manner.

The problem is that, at the expiration of his sentence, there was nothing the authorities could do but release this person, to return to society once again. Legally, the law regarding insanity is so framed that where there are psychopathic cases which are not yet psychotic, they cannot be committed to an insane asylum, and, therefore, they have to be released — even when the evidence is as clear as it was in the Bayliss case, and as clear as it is in this case, to which I am referring now. He had to be released.

The comment that is made by people in the department — and I have talked this over with people in the department — is that you simply cannot infringe upon a person's civil rights by depriving him of his right to freedom

again just because he happens to be a psychopathic case. I will acknowledge if a person is not in an institution, clearly his civil rights have to be recognized; and you cannot have the right to go out on the street and pull some one in because you think he is mentally ill, and "slap" him into an institution.

However, it strikes me, in the case of a person already in an institution, whose record down through the years from the time he was 14 is clearly one of mental illness, that the proposition is absurd that we should fold our hands helplessly and say this kind of person is potentially dangerous, is potentially insane, and that he did not murder his mother in the week she had to look after him was just an "act of God," and nothing else. He went through mental depressions until he would glaze out altogether.

MR. LYONS: If you had had him out before June you would have had another vote.

THE CHAIRMAN: Order, please.

MR. MacDONALD: I think the comment and the applause it received speaks for itself, and I trust it has been recorded.

I want to draw the attention of the House to the fact that in The Mental Hospitals Act, chapter 229, section 32, there is a clause which reads roughly as follows. I will not go into all the legal intricacies of it:

The Lieutenant-Governor upon evidence satisfactory to him that any person imprisoned in any prison, reformatory, reformatory prison, reformatory school, industrial school or industrial refuge that is mentally ill, mentally deficient or epileptic may order the removal of that person to a place of safe-keeping.

Without minimizing the magnitude of this problem, I want to suggest that, particularly for people who are in our institutions and who are clearly people who are mentally ill to a degree of being dangerous if turned back into society, that the time has come when

that clause should be applied so that a person could be kept in an institution and treated, until there is greater assurance of a cure, than there was in the case where a person was smashing the windows in the institution one week before he was let out.

MR. M. B. DYMOND (Ontario): Mr. Chairman, we in the medical profession are rather hesitant to discuss so glibly cases of persons being "clearly mentally ill." In a case of a person who is mentally ill, he or she is deprived of his or her freedom for a stated period of time, and one hesitates before saying definitely, he or she is mentally ill. I am sure the hon. member for York South, as well as every hon. member in the House, has heard of a person in a temper tantrum smashing windows. It would be most unfair, if not unreasonable, to suggest that that person was "clearly mentally ill." Would the hon. member kindly suggest to us what he means by "clearly mentally ill"?

MR. MacDONALD: Mr. Chairman, I wish that the hon. member, if he is going to rise and make such a speech, would not use the term "glibly." I know the reservations of a profession which does not want to go to a point where they will be indiscriminately putting people in institutions, but if hon. members look at the record of this case, and also at the Bayliss case, certainly they will find clear enough evidence that this person was mentally ill. He is even described in the records at Guelph as being "potentially dangerous." That is one who could be put in as being "clearly mentally ill" without being open to the charge of talking "glibly." The proof is he was back one week later in one of our mental institutions, in Whitby.

MR. WARDROPE: Mr. Chairman, may I—

THE CHAIRMAN: The hon. member for York South has the floor.

MR. MacDONALD: The next question I would like to raise—and I hope the hon. Minister will comment on it—is that regarding our institutions, we

have had some rather heated discussions in the last couple of months or so, on what has been described as "illegal brutality." I acknowledge it was illegal brutality, and the people were dismissed. I have had it personally put to me "since the people were dismissed what are you arguing about, what are you complaining about?"

Well, I think it is almost in the same category as saying in the case where you apprehended a sex deviate who has raped and perhaps murdered a 13-year-old child that you have met the problem. Clearly you have not, just because you have dismissed the people who used illegal brutality. The point I want to make is this, that I want to suggest to this House—and I hope I can persuade at least the open-minded on this issue—that there is too much of what I would describe as "legal brutality" in our institutions, otherwise known as corporal punishment.

I was rather interested Saturday morning to read in the *Toronto Globe and Mail* an article by Ralph Hyman about an episode in Canadian history with which I had not been familiar. The same cause of penal reform was taken up by George Brown, the leader of the Liberal Party, in 1849, in exposing the shocking conditions in Kingston Penitentiary at that time. A couple of sentences in this struck me as being rather pertinent. They are:

One of the most moving episodes dealt with the treatment of children sent to the penitentiary for trifling offenses. They were flogged on the flimsiest excuse, for childish acts that should have passed unnoticed.

I want to suggest while that was 1849, if I may, I would like to refer again to a document to which I have already drawn the attention of this House, and say that in a department which operated less than two years ago, under a directive from the Deputy Minister stating that there must be "strict discipline," and any insolence or disobedience of a simple order was to be punished by strapping, and if that is not effective there was to be other punishment, in-

cluding reduction of diet, in the time from 1849 to 1956 the official attitude has not changed a great deal.

I know the issue of corporal punishment is an exceptionally controversial one, and I realize that the controversy is not between Parties exclusively, it is within Parties as well. However, I want to suggest that the record over the years clearly indicates that corporal punishment has no constructive contribution to make in the modern penal reform programme. I would draw attention also to this, that back in 1938, the British House of Commons, which was coming to grips with the issue somewhat earlier than we had come to grips with it in Canada, initiated, in the Home Office, an investigation under the chairmanship of hon. Mr. Cardogan, to look into this question of corporal punishment across the world.

What I want to draw attention to is—and let me remind hon. members that this was in 1938, for I do not want to misrepresent the picture—this was the last serious, world-wide survey of which I am aware, by a responsible legislative body like the British House of Commons. This is what they reported: In Austria there was no corporal punishment for either juveniles or adults. It was abolished in 1867. In Belgium there was no corporal punishment for juveniles or adults; in Czechoslovakia there was no corporal punishment for juveniles or adults; in Denmark there was no corporal punishment for juveniles or adults, it was abolished in 1911, and—

HON. MR. FROST: I think the hon. member is speaking about court sentences.

MR. MacDONALD: No, because there is another column which I am not reading which is headed "Prison Offences." I am talking about corporal punishment of juveniles and adults in institutions. In France there was no corporal punishment for juveniles or adults, and even in Germany there was no corporal punishment, and during the Nazi regime they did not put it legally

back in the books, it was meaningless, of course, but they did not put it back in the books. In Holland there was none, in Hungary there was none, there was none in Italy, none in Norway, none in Portugal, none in Switzerland; in Finland there was corporal punishment, if instructed by the courts, for juveniles between 7 and 16 years, none for adults. In England and Wales there was corporal punishment up until 1948, when they banned it completely.

HON. MR. FOOTE: There is corporal punishment in England for assaulting a guard or inciting to riot.

MR. MacDONALD: Not from the information I have here, and this is an authoritative source.

MR. PRYDE: Would the hon. member like to live in one of these countries?

MR. MacDONALD: Some of the hon. members are very much interested in—

MR. W. E. BRANDON (York West): Mr. Chairman, may I ask a question? If the hon. member is advocating abolishing corporal punishment here, what does he offer as an alternative?

MR. MacDONALD: I will come to that.

Between 1932 and 1936, the Cardogan Commission discovered that in England and Wales there had been 30 cases of corporal punishment; in Southern Rhodesia there had been 195 cases, and in Canada, in the same period, there had been 1,086 cases of corporal punishment.

What I want to draw to the attention of the House is this, that if corporal punishment is part of the penal reform programme, Canada is generations behind the rest of the civilized world. I do not deny the right to dispute it if desired, but I ask that first the facts be faced that the rest of the civilized world is at least a generation or so ahead of us on this issue.

MR. MACAULAY: Saskatchewan too?

MR. MacDONALD: I want to draw your attention to another point, if I may throw this into historical perspective; a little more than 100 years ago, slavery was legal, in fact, a little more than 100 years ago it was possible for a church-goer, a pillar of the community, to attend his church at the week-end, and see no particular conflict in his philosophy and his action when he would go out on Monday morning and despatch another ship to Africa to be loaded with human cargo, and take them across to the United States or the West Indies and sell them for profit.

I would draw attention to the fact that in the last 100 years, social conscience has developed, civilization has progressed to the point where virtually everybody today looks back and says that is an element of barbarism or feudalism, or call it what you will, from which the civilized world has escaped.

I would suggest to this House that before many years have gone by, civilized people are going to look back upon corporal punishment as legalized brutality, as they are going to look back upon hanging as legalized murder, and that social conscience is now pulling—even with the Conservative Government in Great Britain—to the point that just yesterday they passed legislation to abolish hanging.

I want to know, just out of curiosity, how long in the province of Ontario this kind of a record will continue, how long we are going to drift without recognizing the fact that corporal punishment is legalized brutality, and that the overwhelming majority of the professional people point to the fact that it has no constructive purpose to serve in penal reform?

MR. WARDROPE: Mr. Chairman, may I ask a question—

THE CHAIRMAN: Order.

MR. MacDONALD: Those are the 3 points I wanted to raise before we go into the Estimates, because they do not arise out of the Estimates.

MR. NIXON: What about corporal punishment in the school or home?

MR. MacDONALD: Well, there is all the difference in the world between sparing the rod and spoiling the child in the home or administering a spanking or whipping to a child within a family circle, who knows he or she is part of the circle, and knows very shortly afterwards it has the love and affection of the family. That is a completely different thing to corporal punishment within the cold, impersonal confines of an institution, where it is an indignity, an affront—

MR. NIXON: "Bunk."

MR. MacDONALD: I draw to the attention of the hon. member for Brant that he is saying, "bunk", in face of the overwhelming consensus of experience and legislative action throughout the civilized world.

MR. G. C. WARDROPE (Port Arthur): The question I was going to ask has been delayed so long that I have almost forgotten it.

I have listened with amazement to the tremendous amount of knowledge the hon. member for York South seems to have about this problem. I started knowing a little about a lot, I came to know more and more about less and less, until now I know everything about nothing, and that seems to me to be the case of the hon. member talking about reform institutions in Ontario. I read in the press the other day—the hon. member will know about this—about a young man who murdered 5 people in a house, and I was wondering what the hon. Minister of Reform Institutions in Saskatchewan was doing about it. I wonder if the hon. member would tell us about that?

MR. MacDONALD: I do not know the details of it and I do not propose to comment on it.

MR. WARDROPE: That is one you missed, because it was Saskatchewan.

MR. W. J. STEWART (Parkdale): Mr. Chairman, there are a number of new hon. members in the House and I would like the privilege of quoting from the unanimous report of the select committee. At page 410 of the committee's report it says:

In the committee's judgment, on the basis of the evidence presented, punishment should be incidental to reformation. But this does not mean that punishment should be discarded altogether. It is a valuable deterrent that must be retained, at least to a degree, in dealing with any persons guilty of offences or misdemeanours. Its effect on prospective delinquents is considerable.

That was signed by every hon. member of the committee.

MR. KERR: Were there any members of the CCF Party on that committee?

MR. MacDONALD: The hon. member is raising what he hopes to be a political issue, in that there is a difference of opinion between myself and the CCF member of the committee.

MR. STEWART: I am stating a fact with which the hon. member does not agree.

MR. MacDONALD: I know it was a fact that it was signed, but I am just suggesting to the hon. member that it is wrong, and that if it was signed by a CCF'er, it is not a view which is held by the majority in the CCF. Let us dispense with the discussion on the politics of the matter. Let us take a look at the fact that every country in the western world has come to a conclusion on the matter, and has registered their conclusion in legislative action. Are they all wrong?

MR. STEWART: They could be.

MR. MacDONALD: Perhaps they are not.

Now, we come back to the quotation of "everybody being out of step except little Jock."

MR. A. J. REAUME (Essex North): I have already spoken on this, but there is one point I wanted to iron out. The hon. member for York South spoke of a boy in an institution who had broken some windows. I nearly cried when I heard that sad story. His mother took him home for a week, and there the poor mother sat for a whole week, and the hon. member wondered "how come" the boy did not kill her.

I would think if the boy was in that state, and if the mother knew he was out of his mind, as suggested by the hon. member, then certainly the logical and sensible thing for the mother, or any other person in the house with whom this boy was trying to fight, would have been for them to have called an officer of the law and had the boy taken away. About the "tubes in his stomach," probably he had been drinking something with tubes in it and swallowed them.

I think it is foolish for any hon. member to be wasting the time of the hon. members in this House without knowing the whole story. I think we have all spoken on this important matter and there are no hon. members in this House who want to see anybody abused in any institutions of our province.

I have already stated that if any person wants to pull the administration of the institutions of this province apart and their employees, for goodness sake, lay the charges upon the table. This business of talking like that is foolish and crazy. I am in no position to say whether in our institutions we should have 1, 2 or 5 specialists, but if, in the opinion of the people who know, after having gone into the matter thoroughly, they feel that we are doing a job, that is the way we ought to do it.

If, in the opinion of the Opposition, or any hon. member of the House, we feel it is improper, it is wrong, then the hon. members can certainly bring out the facts, but I do not think it is proper nor fair that when a son of a mother — and apparently the hon. member knew all about it because he

visited the home, sat and talked with the mother and the boarders, hearing the whole story — I do not think it is reasonable for us to "swallow" that sort of thing, when the boy was completely "out of his mind." Those are the hon. member's words, they are not mine. The hon. member let that boy go on for a week without the mother or any of the other occupants of the house calling an officer of the law.

If the doctor would not act, I submit the officers of the law would have. Probably, if this sort of thing, as the hon. member has explained, did happen, then it was the other occupants of the house who were out of their minds.

MR. MacDONALD: Mr. Chairman, I do not know whether one should attempt to answer this because, obviously, the hon. member was not listening and has not grasped what I said. The point is, this man was released from one of our reform institutions with this record clearly in front of them. One week later he had to be put back into a mental hospital. My point is, why was that person released? This has happened a number of times. I could have brought articles on other criminally insane people being released. It is a problem which, even if the hon. member has not grasped it, perhaps the hon. Minister would comment on it.

MR. REAUME: I do not know why he was released. The point I am making is that if the boy was in his own home for a week, and out of his mind, as explained by the hon. member, then the mother of the child or any other member of the household should have phoned an officer of the law and had that boy taken away.

HON. MR. FOOTE: Mr. Chairman, I would like to deal with these 3 points which have been raised and again I say I want to do it in a non-controversial manner, reasonably and dispassionately.

I am glad the hon. member for Port Arthur brought up the case from Saskatchewan, not because I want to

embarrass anybody from Saskatchewan. I want to say at the outset that the director of correctional institutions in Saskatchewan is a very capable, fine man, and a good friend of mine. I am glad the subject was brought up, because it brings into relief how unfair these attacks are which are being made upon the Minister, his officials and the department.

As long as we are dealing with human lives, the most twisted difficult ones that exist in the whole of the country, we are going to find difficulties. Sometimes the staff does things which are not liked, but they have to be dealt with. Sometimes the inmates do things they should not do, and they have to be dealt with. There is constant trouble all the time, and the point I am making is that these things should not be used politically at all, but should be discussed quietly and reasonably, and in their own setting.

For myself, I am getting heartily sick of the approach which has been made to my institutions. In the last 6 years I do not think what I have had to go through can be described as anything less than sheer "hell." I have tried to do my best, and the people with me have done their best. We have been attacked by numerous people, and I say frankly I am not referring to the hon. member for York South alone, but people who just see a chance to "bang" the government, and they take it out of the hides of the people who are doing their best.

This man in Saskatchewan is a fine man.

MR. MacDONALD: At least the hon. Minister should give us credit for a sincere opinion.

HON. MR. FOOTE: Let us put it in the proper setting. I will deal with the 3 points the hon. member has raised.

The first is the lack of professional staff.

If the hon. member has listened to any of the speeches I have made here, surely he has heard me say time and time again, that things cannot be done

overnight, nor can we move too quickly. When something is started, it has to be consolidated. We did that with the Alex G. Brown Memorial Clinic. We have a good staff. The psychiatrists and rehabilitation officers whom we have there are equal to anybody in that field. It takes time to do it, but we have started this work in this department recently, and already we have two full-time psychiatrists, another part-time psychiatrist coming on staff, and are negotiating with two others.

Here is something which I would ask hon. members to remember. The reason why we are anxious to have our treatment centres in places such as Mimico is that we have to keep in touch with the university. I have seen this work done in the United States, I have seen something of the federal system and of the Old Country, and their policy is to have as few as possible full-time men. You need one for each major institution. You need to be near a university and a medical centre to use consultants as much as you possibly can. That is one reason for building Millbrook Psychopathic Treatment Centre in the village of Millbrook. That is one reason why it is very near what is becoming a great medical centre, the city of Peterborough. We have a full-time psychiatrist coming who will have consultants to work with and we will use the professional people from Peterborough.

Here are the names of the men who are on our professional staff of psychiatrists: Dr. Van Nostrand, Dr. Burton, Dr. Bell, Dr. Watts, Dr. Rich (who is doing research only and is a qualified specialist), Dr. Atcheson, Dr. Boothroyd, Dr. Holmes and Dr. Bowden.

I think that puts it in the proper perspective. We have 8 psychologists on the staff, and we could use 8 more, and we will secure them, but we will have to compete for them. In the last 6 years we have been steadily increasing our salaries and are now in a better position to compete. We have one of the best psychologists who left us for awhile but we were able to get him back as the result of the increases.

We have had several opportunities to employ psychologists. We could have had 8 more, but the plain truth is they were not the best, and were not considered suitable. We do not want anyone just to say we have psychologists; we want 8 highly qualified ones, and I will get them.

With regard to social workers; no one is more keen than I to have social workers. Two of the social workers belonging to the Canadian Association of Social Workers do our rehabilitation work at the Mercer under the auspices of the Elizabeth Fry Society, and we pay their salaries. Miss Haslam and Miss Parker are doing excellent work, and have improved our rehabilitation rate for women on parole. Yet their own association says our rehabilitation work is not good.

We have had a number of social workers on the staff. I remember when Miss Macneill was at Galt she was very pleased with her professional staff. At that time she had 4 social workers, and I encouraged her in this. It is true we have lost some members of the staff, I know two workers who went back to England. One told me the work got on her nerves and left to take a position selling, and later came back. Another one, which the hon. member spoke about, left that school through sickness, and another one I know left because her mother was ill. They do not all leave because they dislike it. My approach to the school of social workers has been to ask for their co-operation.

A long time ago I began negotiations with Dr. Hendrie, the head of the school, to come in as our chief consultant. The reason he has not been on the staff before is because he was honest enough to say he had so many other commitments on his desk that if he took this job, which the president of the university urged him to take, he would not be able to do it justice. I had a letter from him recently saying that when his work was cleared up he might come in with us.

I have a letter from the social workers to which I might refer. It was sent to the heads of my departments and they

gave their reply, which I did not read before because I did not want to get into any controversial matter. Hon. members have heard the letter read in this House and I will now read my reply.

Dear Miss Graham:

I have for acknowledgment your letter of February 16, along with a copy of your letter to Premier Frost.

This has been referred to the heads of the divisions concerned, from whom I have now received replies, all of which point out that your criticisms indicate you are unaware of the work that is being done by the department.

I feel that much good would come from a friendly discussion between your executive members and my department heads. We could tell you what we are doing and could in turn receive whatever suggestions you may be inclined to make. Arrangements could also be made to have as many of your members as possible visit our institutions. If you are willing to accept this invitation, I shall be glad to arrange a meeting to suit your convenience.

I note you recommend that we seek guidance in assessing our needs, and that help could be received from the American Correctional Association. I might point out that I am a director and vice-president of that Association. I am well aware of our needs, and our planning is far ahead of our ability to secure the people needed to do the work, as opposed to those who will not do it, but who will criticize what is being done.

I assure you that if any of your 400 Toronto area members wish to actually engage in this work, I shall be glad to employ them.

I have also a letter from Miss Graham, which reads:

Thank you for your cordial reply to our letter of February 16.

We in social work are well aware of the problems of staff shortages, and can fully appreciate your problems in this area. We would be most

happy to have the opportunity of meeting with you and your department heads to discuss our mutual concern about the people who find themselves inhabiting the reform institutions of this province. If you would be good enough to set a date for such a meeting our representatives would govern themselves accordingly.

Thank you for your kind invitation to meet with you and to visit your institutions.

We shall be looking forward to hearing from you at your earliest convenience.

That does not sound as if there were any strained relations between myself and the school. I have been in close touch with Dr. Hendrie, and I have approached the writer of this letter—which I thought was a rather extreme one—in a very cordial and friendly spirit as she mentioned in her letter.

They were to have met with me and my officials this morning but they sent word they would not come, in view of the debates which have been held in the House since the letter was written. They felt no good would come from it. I will write again, and assure these people that we are not at all antagonistic to them.

I may say that the salaries for social workers in our department, for those having their Masters degree, have been increased recently from \$3,700 to \$5,000. I might also say, in a kindly manner, that if these people who were trained in the school at Toronto do not want to do this work, which is very difficult, I will recruit people in England and Scotland and other places who are just as well trained, and I will have a suitable staff. I believe we have some graduates coming on the staff now, particularly a good man in research, and I have every confidence if we have time we can build up this staff. So much for this question of professional help which I understand as well as the hon. member for York South, and with which I am convinced we can deal.

Secondly, the hon. member referred to a case which I think he discussed with me, did he not?

MR. MacDONALD: Yes.

HON. MR. FOOTE: Again, I would say there are certain salient points which were mentioned in that discussion, and which the hon. member may have forgotten or overlooked. One point is that when this man showed signs of trouble at Rideau—is that the man who was at Rideau?

MR. MacDONALD: Yes.

HON. MR. FOOTE: He was seen by the chief psychiatrist who had him transferred to our psychiatric hospital, where he was seen by the psychiatrists.

MR. MacDONALD: That happened after his mother approached the department.

HON. MR. FOOTE: It happened on the recommendation of my own people.

MR. MacDONALD: Yes, after his mother had gone first to the Deputy Minister and, finally, to Dr. Van Nostrand.

HON. MR. FOOTE: The visit of his mother coincided with the outbreak of his trouble, because I was told that up to a certain period he was behaving quite rationally in the institution, but as soon as we knew there was anything wrong, our own chief psychlogist visited the institution and had him moved to the psychiatric clinic, and he was attended by two of our full-time qualified professional psychiatrists.

They knew he was mentally disturbed. I discussed it with them and they said: "We cannot commit this man."

I feel myself in agreement with the hon. member for York South that there is something obsolete in the regulations for the certification of people who are really mentally ill, but who are not legally certifiable. I have discussed this a great deal with the legal branch, who say they cannot go against the opinion of medical specialists and take away the rights of a man, and are loath to do it. In my opinion, it is too rigid.

However, this fellow was dealt with, and two psychiatrists did not seem to be

able to do very much for him, but they felt at some future date he might become insane, in view of his past history.

Our situation was, this man had finished his sentence and had earned remission for good conduct to which he was entitled. I had not heard any story of the breaking of windows.

MR. MacDONALD: Surely when a man has smashed the windows you do not have to grant him "good time." An inmate is obviously ill, if, a week before he is released, he smashed windows and broke furniture. This is a small point in relation to the main problem, but it is not a defensible matter.

HON. MR. FOOTE: This is the first time I have heard about this behaviour in the institution. No one had brought it to my attention.

MR. MacDONALD: That is peculiar, because it is in the record.

HON. MR. FOOTE: I have outlined the fact that he was in one institution and was transferred to another. I have discussed these things with Dr. Van Nostrand and said to him, "I think myself this man is going to run into trouble mentally." He said, "I think so, but he is not certifiable, and his time is up and he will be released." I know nothing about the breaking of windows, but his actions were not deemed sufficient for anybody to take his good time off. Probably they felt sorry for him.

However, the point which should be brought out in fairness to my department, and Dr. Van Nostrand, is that he spoke to this man and his mother and said, "This man is legally bound to be released from the institution. He is discharged and we cannot do anything about it, but in spite of the fact that we have no legal responsibility for this man, I will be quite willing myself to arrange treatment for him on an out-patient basis, or otherwise, with the Toronto Psychiatric Hospital. I will be glad to give him all the attention I possibly can, and since he has been in Whitby before, if he feels he would be better suited to go back there, I will be glad to arrange

for that with Dr. Fletcher on an out-patient basis."

The point is we did not neglect him at any stage. Dr. Van Nostrand went a long way out of his way to assure the man and his mother that, although there was no legal responsibility, he was quite prepared, if they would let him know, to give the man whatever treatment was possible.

Those are the things to which the hon. member for York South should listen, because it gives the other side of the picture. I do not think it is worthwhile to give part of the information and not the other, in an effort to cast aspersions upon the department.

MR. MacDONALD: I was not casting aspersions. I presented this matter impassionately, as a problem with which I think we have to come to grips. The hon. Minister conceded the law was too rigid.

HON. MR. FOOTE: Yes, but I think the whole truth should come out. I think I told the hon. member the whole story when I was talking to him.

MR. MacDONALD: Not the whole story, but the significant fact is that one week before this person was released from the institution, his conduct was such that he smashed windows and furniture. Surely that is not just a simple tantrum.

HON. MR. FOOTE: I am well aware of all I have stated, and I made these statements to give credit, not discredit, to the department. Mr. Chairman, I have some reservations and misgivings myself—

MR. MacDONALD: I think the hon. Minister should examine them then.

HON. MR. FOOTE: I have spoken previously about the rigidity of the law in connection with certifications, and I think it is a subject to which some thought should be given.

In connection with corporal punishment; the hon. member, on two occasions, quoted from a letter written by

the deputy to the superintendent. I do not know where he obtained the letter, but he has not read all of it. If the hon. member had the letter, and only read part of it, he has not been just to my Deputy Minister.

MR. MacDONALD: I read it all the first time.

HON. MR. FOOTE: I will not go into the details of all my dealings with the superintendent. I have always made it a practice to keep names out, and to respect the privacy of people, but I will say, when there is a lack of discipline at the top, it leads to a great many irregularities on the part of the staff.

That is what happened in Cobourg. It was something I had suspected, and the deputy and myself put our fingers on the trouble, and learned there was laxity at the top, and that the children were not having effective discipline imposed upon them, and as a result of it I had heard tales of the supervisors administering unauthorized punishment.

If I read this entire letter, I think it might be more just to my deputy, but parts of it might be embarrassing to the superintendent, so I will read only the part which is not embarrassing to anybody:

It is to be definitely understood that the strapping referred to is to be applied on the palm of the hand, and the strap used is to be a strap of the same dimensions and material as is used in the public schools. It is to be further understood that the strap is not to be applied indiscriminately, but that its application should be reserved for the more serious breaches of school discipline, such as insolence, violence, disobedience and defiance.

If the hon. member will refer to that part of the letter he will note that every case of misdemeanour is not to be punished by strapping. That was discussed with the principal by both Col. Basher and myself, and we made it understood we did not want him to strap a child every time it was disobedient. I think

the hon. member will realize there are many times when a child questions an order, which he may think is unfair, and may want to speak about it. I do not say that every time a child refuses to do something he should be strapped. There are many cases where a child should be allowed to present his side of the story. I hope the hon. member for York South is listening.

MR. MacDONALD: I am.

HON. MR. FOOTE: This was the point I made over and over again. Consider a case of disobedience where perhaps a child was directed to wash himself before a meal and did not do it. He should not be strapped. He should simply be sent back to wash. But there have been cases where boys have been told to do something, and have turned to the supervisor and said, "You go to hell." As the hon. member may realize, some of these lads have some very stirring ways. In a case like that there must be some punishment of the child to make him understand he cannot do those things in the school. May I repeat again a portion of the letter:

It is to be understood that the strap is not to be used indiscriminately, but that its application should be reserved for the more serious breaches of school discipline, such as insolence, violence, disobedience and defiance.

Mr. Chairman, I wish to be friendly, and not controversial, but I do ask the hon. member why, when he read something he thought would be damaging, he did not read that part? That is a question I must ask—why?

MR. MacDONALD: I did not omit it for any purpose at all. I draw the attention of the House to the fact that I have painted in the whole picture, and all of the countries in the western world have eliminated this completely. May I ask when we will catch up?

HON. MR. FROST: Does that not apply in this province to the homes, and the public and private schools? I must admit that I cannot see what wrong

there could possibly be about such a thing. I think the hon. member is straining things to a point of absurdity. Surely, when he went to school, if he violated certain rules, he got the strap—and why not? I think everybody in this assembly—

MR. H. C. NIXON (Brant): I think, Mr. Chairman, it is very doubtful if there is an hon. member in the House who did not get the strap. If one did not, he probably would not be here.

MR. MacDONALD: This letter, like the department, is sort of contradictory. It starts out by saying:

They shall be strapped for any simple disobedience

and later it introduces various qualifications, and there is the conflict.

MR. W. J. STEWART (Parkdale): Mr. Chairman, the committee of which I had the honour and privilege of being chairman spent a considerable time on this matter, and I would like, with your permission, to read a few words from the report:

During the committee's investigation, no one subject has engendered more conflict of opinion among witnesses than that of corporal punishment. Personal prejudice fomented strong opinions by many witnesses, including both those who opposed corporal punishment and those who favoured it. With a number of exceptions, the evidence on this subject was strong on emotion and weak on the validity that comes from experience and impassive study. The committee spent a great deal of time weighing the evidence and studying the practices in other jurisdictions.

Corporal punishment should be regarded as one facet of discipline, to be considered along with such other disciplinary measures as detention and deprivation of privileges. In this report it is so regarded in its inclusion in the sections dealing with juveniles and institutional inmates. It deserves special mention here in a general way,

however, because of its controversial nature.

The extremes of opinion concerning this topic could be typified by the well-intentioned club member who has heard a few speeches and read a few books and has become enthusiastically opposed to the use of corporal punishment in any way, shape or form, and by the rigid disciplinarian who believes in ruling with an iron hand with no regard to the feeling of the subject of the punishment, or the long-range effects.

There are a few more words I would like to read, Mr. Chairman, if I may:

Such opinions must be discarded in favour of those expressed by persons with first-hand knowledge, combined with careful judgment.

In recent years, corporal punishment has been discounted to a considerable degree, largely because of the beliefs of certain psychologists and psychiatrists. The theories they expressed were to the effect that corporal punishment was not as offensive as other disciplinary measures, especially in regard to juveniles. Their claim was that its main benefit was not for the child but for the adult, for whom its use provided an emotional release. It should be pointed out that not all psychiatrists and psychologists share these theories. The problem would be much easier to resolve if they did agree, one way or the other.

On the other hand, there is a belief held by many persons with considerable experience that infliction of corporal punishment "teaches a lesson," and instills fear that acts as a deterrent to further misdemeanours.

And that was signed by the 11 members of the committee.

MR. MacDONALD: I will not take any more than 30 seconds more, Mr. Chairman. I submit there is another bit of evidence appearing in the *Hansard* of the House of Commons-Senate Committee last year, when it was study-

ing corporal punishment. And, by the way, I see the leader of the Conservative Party is calling for a free vote on the question of hanging, which perhaps has nothing to do with this. This committee secured without picking and choosing, 15 people who had been submitted to corporal punishment in institutions, and interviewed them. And I suggest to any hon. member, if he has any doubt, he should read this, and he will find that 14 out of the 15 who were submitted to corporal punishment said that it did them no good whatsoever.

MR. STEWART: Mr. Chairman, I could bring in a number of people who have thanked the officials for doing it.

MR. MacDONALD: I will not take the time to read all of these, but here is the key sentence in case "A": "He did not think the strap served a useful purpose as a move to repress trouble in a prison, because it did not get at the cause of the trouble."

Here is the key sentence in case "B": "He claimed a man could not be reformed by corporal punishment, because it only engenders hatred."

I could mention the 14 out of 15, a very overwhelming majority, but I will not go into the details. I will simply say that each one, for his own reason, came up with a clear-cut conclusion, born of his own experience, that corporal punishment had not helped to reform him.

May I say to the hon. Minister, cling to his views if he wants to, but I suggest they are outmoded, and 50 years from now, our children and our children's children will regard corporal punishment as nothing more than legal brutality just as we now look back on the days of slavery, and consider them as most barbaric days, from which, fortunately, we have now escaped.

On vote 1,902:

HON. G. H. DUNBAR (Provincial Secretary): Mr. Chairman, the hon. member for York South mentioned my name, concerning some controversy in the House about a week ago, regarding

a certain gentleman who had made a report on Burwash for the department, when there was some trouble up there.

I was glad to read the headlines in the *Daily Star*, because I believe they mean something. I was also pleased to see, further down in the report in the press, that he was man enough to say that he had made the recommendation that the institution should be used as a mental institution instead of a jail, only it was to be for very severe cases. I presume he was to be the judge.

Well, Mr. Chairman, even severe cases might have friends who would like to visit them in an institution.

He also said that he had recommended that a "pub" be opened at Burwash, and said it was only because the guards were going to Sudbury, getting drunk, and coming back and the prisoners did not like it, so he wanted to make it convenient for them to get drunk right at home, instead of having to travel the 30 miles to Sudbury.

MR. MacDONALD: That is a misrepresentation.

HON. MR. DUNBAR: And this will probably be considered as a "misrepresentation", too. He also said I was hiding the report. I have a letter showing I received the report on March 8, 1948, and it was tabled in this House the same afternoon. So it could not have been hidden very long. In any event, there was nothing to hide.

With your permission, Mr. Chairman, I will read the letter dated March 8, 1948, which is as follows:

I am glad to submit herewith my report as commissioner of inquiry into the disturbances at the Ontario Industrial Farm, Burwash, early in October, 1947. The preparation of the formal report has been slowed for various reasons, but I have been in constant touch with Mr. A. R. Virgin, Director of Reform Institutions, at that time and since. I have discussed the situation with him frequently, and have also had the benefit of several conferences with Mr.

Neelands. Also, since the situation there has been improving there has been no pressure for the report, and the longer time for its preparation has been an advantage.

The report contains the complete account of the inquiry and a summary of the recommendations. I would recommend that it be released in full, both for public information and the restoration of public confidence, as well as for the interest of department staff and the satisfaction of the Burwash inmates. The tone of the report is factual rather than critical; the Burwash disturbance is readily defensible; the consideration of the department as a whole is favourable. It is therefore my opinion that the frank release of the report is the simplest, fairest, and easiest way to handle the matter.

For departmental use the section on recommendations has been expanded with comment. This was necessary because of the close connection of most of these points with the situation at Burwash, and their relationship to each other. This section is for departmental use, but I believe it would be of real interest and value to senior officials in the various institutions. These uses, of course, are matters of your discretion.

I wish particularly to express my appreciation of the services and help of Mr. Virgin. Both at the time of the affair and since, he has at all times been readily accessible and most helpful in providing information and counsel. I have a high opinion of his wide experience, his sound judgment, his wise humanitarian viewpoint, and his unfailing energy and zeal for the welfare of the department. My association with Mr. Neelands has been less frequent but has also been impressive. I believe that the province of Ontario (and indeed, Canada as a whole) is fortunate to have such able public officials devoted to this difficult but essential work of human reconstruction.

Finally, may I express my own thanks for this appointment. The

task of the commissioner was difficult at points; the period at Burwash was an arduous one. Yet the whole experience was one of high interest and value to me. I trust it will prove of good service and value to you and your colleagues in the government.

I shall be happy, of course, to be available to you for discussion and conference on the report at your convenience.

May I again call the attention of hon. members to the third last paragraph, wherein he said:

I wish particularly to express my appreciation of the services and help of Mr. Virgin. Both at the time of the affair and since, he has at all times been readily accessible and most helpful in providing information and counsel. I have a high opinion of his wide experience, his sound judgment, his wise humanitarian viewpoint, and his unfailing energy and zeal for the welfare of the department. My association with Mr. Neelands has been less frequent but has also been impressive. I believe that the province of Ontario (and indeed, Canada as a whole) is fortunate to have such able and public officials devoted to this difficult but essential work of human reconstruction.

HON. MR. FOOTE: And Mr. Virgin is still with the department.

HON. MR. DUNBAR: Yes. That letter is signed by the hon. member's expert, and the hon. member says I am "harsh" with him. I am not harsh at all. I was kind enough to allow him to call himself a "commissioner," but I can say to the hon. member for York South that if he looks in the records of the House, he will find that his expert never was a commissioner. He was appointed by Mr. Virgin, to make an investigation, with my consent. If they like to call themselves commissioners, and if people call themselves doctors, when they are not doctors, if it pleases them, let them call themselves such. He was about as much a commissioner as I was.

MR. MacDONALD: Mr. Chairman, before the hon. Minister goes on and maligns him any further, let us pass on to the terms of the question. The hon. Minister is going to embarrass the rest. Let the matter rest now.

Mr. Chairman, in regard to vote 1,091, may I revert to a couple of items. Item No. 10 refers to the Workmen's Compensation Board. I presume that item is for the staff employed in the institutions. The question I should like to ask is whether there is anything in the reform institutions which is other than workmen's compensation or the equivalent thereof, to cover permanent disabilities which may arise while a person is in the institution. For example, consider a person who has been in Monteith or in the factory at Guelph and who loses a few fingers or breaks a leg during that time. It is a permanent injury.

HON. MR. FOOTE: Is this an inmate?

MR. MacDONALD: Yes.

HON. MR. FOOTE: Some adjustment is made but any experience I have is that we pay for the specific case and are advised by the Workmen's Compensation Board. This is the way it works out. I am thinking of a man who had an adverse result following an operation. We simply make a settlement with that man ourselves out of our own funds.

MR. MacDONALD: A sort of lump sum in the same manner as the Workmen's Compensation Board?

HON. MR. FOOTE: That is right.

MR. MacDONALD: Mr. Chairman, may I ask a question with regard to item No. 11? What are the grants this year to the prisoners' rehabilitation societies? What is the amount, and does it represent any increase over previous years?

HON. MR. FOOTE: Yes. Our grant to the John Howard Society was generally keeping pace with the federal

government and sometimes in advance of it. This year from the federal government they receive \$12,500. We contribute the same. The grant to the Elizabeth Fry Society is the same, \$8,000; to the Salvation Army, \$15,000; and to the Elizabeth Fry Society at Ottawa, \$1,000. These are the main grants.

MR. R. WHICHER (Bruce): Mr. Chairman, in regard to item No. 7, "railway fares for discharged persons"; is it the custom when a person is discharged from a prison, he receives his railway fare to his home and does he receive anything else, clothing or any other item?

HON. MR. FOOTE: He is discharged with an adequate wardrobe and gets a maximum of \$20. If he goes from one of our industrial farms or reformatories, he receives a ticket for transportation to his home but arrangements are made for transportation to any other destination which may suit his purpose better. This does not obtain in the district jails.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Chairman, the hon. Minister will recall that the Committee on Reform Institutions was rather critical of the composition and activities of the parole board. Would he inform the House what has been done by way of correcting the situation there, or meeting the objection that many members of the committee had at that time?

HON. MR. FOOTE: Mr. Chairman, I have here a report which I could read, but I think I can give the details. Mr. Rowland is the acting chairman of the board and receives an honorarium, as well as a regular fee.

We have made some changes in the parole and rehabilitation office. There is a chief parole and rehabilitation officer who is doing excellent work. We have 17 full-time rehabilitation officers, in addition to the work done for us by the John Howard Society, and the Elizabeth Fry Society.

It will be remembered the select committee suggested a more elaborate

set-up, which would be something like that of California. In the first instance, I delayed appointing a permanent chairman of the parole board, at the request of the committee, until I could look into the recommendations. Since that time, we were preparing to take action, but I have been told by what I consider a reliable authority that the Fauteux Commission may bring down some very significant recommendations on this whole matter. I hesitated to get into a rather elaborate system involving several appointments which we might possibly have to change later.

The authority for the parole board stems, as hon. members know, from The Department of Justice of the federal government. Therefore, any changes which may be made as a result of the Fauteux Commission would affect us. That is why, for the time being, we have not made any change in the permanent set-up. I expect that in about two months' time there will be something coming from that commission which will be very interesting to us.

MR. OLIVER: Mr. Chairman, has further consideration been given to including a woman as a member of the parole board? As the hon. Minister will recall, the committee took that into consideration. I do not mind saying to the House that my personal views were, and still are, that a woman should be on the parole board, dealing as it does with a great many women prisoners.

HON. MR. FOOTE: Yes, there is a woman member.

MR. NIXON: Does she sit on the board just when it is dealing with female institutions?

HON. MR. FOOTE: No, she deals with everything.

MR. MacDONALD: Mr. Chairman, I do not want to pursue this at great length, as it has gone on for a considerable time this afternoon, particularly when the hon. Minister indicated that something may happen in a couple of months. Let me quote one paragraph

from this report, which shows that though two years have gone by we are still facing the situation which the report condemned in as strong terms as might be found anywhere throughout the report. On page 341, the report says:

In the face of such heavy responsibility, the committee regrets to find that the present board is lacking in leadership, in careful and analytical procedure, and in policy. Its entire operation appears to be haphazard.

That seems to me to be a devastating comment on the matter, that something like two years should have gone by without action. However, if the hon. Minister has action on deck within a couple of months, perhaps we can bide our time on that. However, the thing I wanted to ask the hon. Minister about is this. He says we have 17 parole "rehab." officers, and this takes us back to one of the strongest criticisms in the Canadian Association of Social Workers' letter, that we do very little parole and rehabilitation work and that what we do is of poor quality.

That letter speaks for itself, but it seems to me that it is an impossible situation to have only 17 people trying to keep up with the parole and rehabilitation needs of, for instance last year, something in excess of 10,000 discharged people. Moreover—if I understand correctly—they are based on the number of institutions; there is a rehabilitation and parole officer for Burwash, say, but an ex-inmate of Burwash may go to any place in the province, wherever he may happen to have come from, and there may not be a parole and rehabilitation officer in the area, so that he does not get the assistance.

HON. MR. FOOTE: There is complete coverage. If such a man leaves Burwash and comes to Toronto or Windsor, he is assisted.

MR. MacDONALD: Complete coverage in a province as large as Ontario, by 17 officers, to meet the requirements of 10,000 people is pretty thin and pretty incomplete coverage.

HON. MR. FOOTE: May I compare this with the federal system, where there are no parole and rehabilitation officers at all? The John Howard Society does all the work on their behalf in Ontario. In addition to the work which the John Howard Society does—which includes other than professional people—the real objective of the society is that it enlists the services of laymen. The hon. member for York South knows all about that. All through the province they are in touch with these people, and in addition to that work done by the John Howard Society, we have 17 officers as against none for the federal people. We have 2 attached to the Mercer, and doing excellent work there. They are both graduate social workers. We have 4 at the Brown Memorial Clinic, and one man as a counsellor at the reformatory at Mimico.

I have asked my chief parole and rehabilitation officer if he could do a better job with another man, or any more men, and he said no, that he thought he had complete coverage. Nevertheless, we did decide to put one additional officer in Brampton.

In addition to that we have something like 10 placement officers for the schools. Those people are being used, the John Howard Society is being used, voluntary effort has its place, and here is another thing, that in all cases we try to get in touch with ministers of the churches. In the training schools we have 9 or 10 officers. In the Roman Catholic schools, which come under our jurisdiction—and do good work too—there is only one. The answer is that if he cannot go, he uses the services of the local priest. I point out to the hon. member for York South that we have the services of ministers of religion all through the province. I did not think that it was unusual, in my own experience in the ministry, to have cases referred to me and I always took an interest in them. We have many ministers who do this work throughout the province, in fact, my full-time chaplain at Guelph is there today because I had seen, during my 10-year period here, the interest he had in anybody in his con-

gregation who was in trouble, and he would come down from North Bay to look after them.

There is a tremendous amount of work going on all the time, assisted by the John Howard Society and by our own 17-adult group and the 9 or 10 who look after the children, and by the ministers of the province. I think the rehabilitation work is of good character.

But the reason that we are not able to do more is this, and we might as well face it, that so many of the inmates who are going out do not want anything. The rehabilitation officer at Mimico, for instance, has his little speech which he gives as the men come in. The superintendent finds time to explain what they can do, that the rehabilitation officer is in his office, and will be glad to see them if they come in, and will help to find them jobs. He does not simply send them to the National Employment Service, although that is a service which has been most co-operative with us, but we have our "rehab." officers out following up construction work.

Where they see the building of an apartment going on, or a man building two or three houses, they stop and talk to him and say: "Can you look after some of our people?" They will find a job and a place for him to live and advance the man money, until he gets his pay. It all comes back to this basic philosophy, if a man just will not do anything for himself, what can we do for him? It is not rehabilitation work, just to hand out money, and that is where we made a mistake at one time.

MR. MacDONALD: May I say that the hon. Minister has presented his side of the case, but I would ask him in all sincerity not to be too content with it.

HON. MR. FOOTE: Too—what?

MR. MacDONALD: Do not be too content that that is the view accepted by people who are in the field. Many of the people who are working in prison or rehabilitation fields are members of

the Canadian Association of Social Workers and I have not met one who does not agree with the view expressed in the Canadian Association of Social Workers' letter, and I have talked with many, many of them.

So without getting into an argument again on this subject, I would simply suggest that the view the hon. Minister is presenting is not that of the majority of people who are right in this field.

HON. MR. FOOTE: Mr. Chairman, let me point out, with regard to the women's rehabilitation work, we have tried that out ourselves, with our own rehabilitation service. Then the Elizabeth Fry organization were interested and thought they could do a good job, so I said to them: "All right, we will pay the salary of a woman to do that work." The woman was a graduate of the School of Social Studies, and she found after a while that the work was too much for her. In fact, at one time, it was too much for one, but not quite enough for two, to be quite frank about it.

Then we secured a second woman, and the job they are doing I think, is excellent. And if hon. members view the rehabilitation work being done in connection with the girls' schools, they will find an adequate corps doing that work.

That is just one side of our work. I do not think the social workers should criticize their own people, who are doing the very same work. It does not make sense.

MR. MacDONALD: Their own people agree with what the association says.

HON. MR. FOOTE: No, they do not. I will say that many of them have come to me and said they did not know one thing about this letter and had nothing to do with it, in fact one of them said she thought the hon. member for York South wrote it himself.

MR. MacDONALD: The hon. Minister flatters me, sir.

MR. M. C. DAVIES (Windsor-Walkerville): Mr. Chairman, the hon. member for York South intimates there are 10,000 persons released per year, and that we have 17 rehabilitation officers. I know he does not mean that, because countless men are rehabilitating themselves from these institutions. So do not let us say that 17 take care of 10,000. The hon. member knows that that is just a straight exaggeration, to make the picture look as bad as he can, as he has been trying to do all afternoon.

MR. MacDONALD: No, Mr. Chairman, my suggestion is if we had more people not so far away.

MR. DAVIES: Mr. Chairman, I will not take that from the hon. member for York South. He suggested definitely that the coverage was pretty thin when 17 took care of 10,000.

MR. MacDONALD: That is right, and I repeat it.

MR. DAVIES: That is exactly what the hon. member said, and that is exactly what I repeated.

MR. MacDONALD: Yes.

MR. DAVIES: And he must admit that there are not 10,000 who need the help and services of rehabilitation. My statement is that many of them rehabilitate themselves, as I know from having had practical experience with this matter. I question whether the hon. member for York South has, himself, had the experience.

MR. MacDONALD: Do not impute motives, just deal with the subject.

HON. MR. GRIESINGER: Imputing motives is all the hon. member for York South has been doing.

MR. DAVIES: The hon. member has imputed that there are 17 to care for 10,000.

MR. MacDONALD: Yes.

MR. DAVIES: I know whereof I speak, as far as rehabilitation is concerned. I raise the question in my own

mind as to whether the hon. member for York South does. I know, from my own experience of 33 years in one parish, that I have had the opportunity and privilege of helping countless persons rehabilitate themselves, and some of them are first-class citizens in this and other cities, and in this country and in the United States today.

That work is done, not by professional rehabilitation men, but first of all by men who wanted definitely to pull themselves up by their own boot straps, and by the grace of God, which the hon. member for York South somewhat questioned a little bit when referring to statements made on the philosophical side by the hon. Minister. Let us not forget that the grace of God helps a great deal too.

MR. MacDONALD: I agree with the hon. member for Windsor-Walkerville that the whole 10,000 do not require rehabilitation.

MR. DAVIES: That is the statement the hon. member for York South made.

MR. MacDONALD: I did not, Mr. Chairman. I said there were 17 officers for those 10,000 people being discharged.

MR. DAVIES: Well, what other inference can we take?

MR. MacDONALD: Not all of the 10,000 require rehabilitation, but my point is that if we had more rehabilitation officers not so far away, more of them would seek and receive the rehabilitation they require and maybe we would not have such a great number of repeaters.

MR. DAVIES: The hon. member refuses to accept any statement which contradicts what he has said. It is getting to be that he cannot admit that somebody else may be right.

MR. R. GISBORN (Wentworth East): Mr. Chairman, may I ask the hon. Minister a question? What is the number of repeaters in the province for the past year, 1955?

MR. CHILD: Probably many less than there are in Saskatchewan.

HON. MR. FOOTE: I do not think that I will try to give the hon. member for Wentworth East an accurate answer offhand. I think it is a matter about which he could come over and see us, and we will try to give him all the figures available. There are some figures he will find if he peruses the annual report, which may give him an answer, but it is hard to check with absolute accuracy those figures, unless they have been checked in all jurisdictions. A man may be anywhere in Canada or the United States, and I cannot give what I would call very positive figures on it.

MR. GISBORN: May I thank the hon. Minister for the answer and I will take the opportunity to drop around and see him. But I thought I would ask that question because I felt it would help to answer the interjections from the hon. member for Windsor-Walkerville.

Vote 1,902 agreed to.

On vote 1,903:

MR. MacDONALD: Mr. Chairman, there are two points I want to raise here. In Appendix "D" of the select committee's report, it is stated that the total number of people leaving the department in the two years 1946-1953 and 1952-53 was no fewer than 1,627. The point I want to make, Mr. Chairman, is that even if we did have all the professional staff of high quality and calibre to do the job—psychologists, psychiatrists and social workers—the good work of all these people could be cancelled out if we have not the kind of custodial staff of the calibre which is required to be able to meet, in a humane way, the requirements of people in the institutions.

In the two years to which I have referred, the average length of time people remained with the department was 10½ months. I do not know whether the situation has changed.

HON. MR. FOOTE: There are some who have been there for 30 or 35 years.

MR. MacDONALD: I beg the hon. Minister's pardon?

HON. MR. FOOTE: I am sorry, I thought the hon. member was finished.

MR. MacDONALD: No, Mr. Chairman. Ten and one-half months as the average length of time of custodial people is a change-over which, on the face of it, is in a way conceding that these people in the first place were not suited, or are not interested in the work, and I come back to a point which I tried to make when we were discussing the whole civil service of this province, and that is that I do not think we will be able to have a satisfactory programme until we are ready to pay higher salaries than we are paying, even with what the hon. Minister was able to wring out of the treasury, not if people who are coming are misfits.

HON. MR. PORTER: The hon. member for York South is "turning the wringer" again.

MR. MacDONALD: Exactly. It is a "wringer" through which many of these inmates are being put, and it seems to me this is one of the basic features of our rehabilitation programme we have to face up to, or we will never have a rehabilitation programme.

MR. W. J. STEWART (Parkdale): Mr. Chairman, I would like to direct the attention of the hon. leader of the Opposition, whom I had the privilege of being with, to a word I should like to say on behalf of the department, if I may. He will recall an elderly gentleman asking to see the committee, after we had seen everybody who wanted us to see them. He said he had been in Burwash off and on ever since that institution opened. I will not tell the House how many convictions he had, because it might reveal his identity.

He is a man well up in the 60's or 70's. He claimed I knew his father. When he got out, he came to see me, and I got in touch with the Deputy Minister.

And now that man, with a record of convictions which would fill a sizeable book, has been working steadily and I

see him very frequently. He was in the building here the other day to see me, and at that time he said, "I hope you are not going to be misled by some of this talk about psychopaths. Some of the youngsters up there came to me and said, 'Dad, if you get in trouble, come and see me, I will teach you how to be a psychopath, and you will be able to "get away with it" '."

That man has been working for two years in the job the Deputy Minister obtained for him. He came in the other day and said, "I think I have been going straight long enough now, I will visit my people. I will never bring disgrace upon them again. Do you think it is alright if I join the church?"

I put him in touch with the padre of a regiment. He has joined the church. There is one case that proves that while many are helpless, they are not all hopeless.

HON. MR. FOOTE: Mr. Chairman, I was going to answer the question about the turnover of staff. I do not think those figures are correct. Did the hon. member say 1,600?

MR. MacDONALD: Appendix "D" in reform institutions.

HON. MR. FOOTE: But we have not that many people working in the department.

MR. MacDONALD: "Number of guards who left the service each year from April 1, 1946 to March 31, 1953." And the average length of time they remained with the department—

HON. MR. FOOTE: Over what period was that?

MR. MacDONALD: In 1951-52, there were 240. In 1952-53, it was 220. The total for that period was 1,627.

HON. MR. FOOTE: For 4 years?

MR. MacDONALD: Right, and the average time each remained there was 10½ months.

HON. MR. FOOTE: I thought the hon. member was speaking about the turnover in a year, in which case I thought his figure was ridiculous.

MR. MacDONALD: Oh, no.

HON. MR. FOOTE: May I say, however, that the turnover has been reduced materially. The salary for guards has been increased by \$600 since the time I entered the department. Guards are starting now, including cost-of-living bonus, at \$2,660, with regular increases provided for, and if they merit promotion, they get more. The situation is much better. It must be remembered that was a period when work was very plentiful, and it was difficult to secure people unless we paid them as much as they could receive in industry. Some left because they did not like the job, it got on their nerves. I think the hon. member will understand that.

MR. MacDONALD: It is like the exodus in the teaching profession. It gets on the nerves, too.

HON. MR. FOOTE: However, I should think there are no more people leaving in the whole system now than were at one time leaving, say, Guelph, so I am greatly encouraged by the increase in the length of time they stay.

MR. MacDONALD: Mr. Chairman, on item No. 2, there is "gratuities to inmates." I am not suggesting there is an easy answer, but for the life of me, it is an item so nonsensical that I do not think he can find any answer. An inmate is released from an institution, and is given a maximum of \$20 and his ticket to wherever he goes. A chap gets out of Burwash, say, and lands at Union Station, with \$20 in his pocket. He has to buy food, some clothing, perhaps he has lodging while he is looking for a job, and during the period when he will be waiting for his first pay.

Now, without spelling it out in detail at this late hour, it strikes me—and I am told by people who work in the

rehabilitation field, that this is one of the weakest spots in our whole set-up—we turn this man back into society again, with \$20 in his pocket, with a behaviour pattern of inclination to violate the law, and thereby place him in a situation which will force him, within a week, to violate the law in order to survive. So he goes back into the institution or into some jail.

I started out by conceding that this is a complex problem to meet. You cannot, for example, give each man \$100 or \$200, because he may "blow" it all on a real "binge", and perhaps feel that he is entitled to one, after being in one of those institutions. But it seems to me it should be possible to work out a more effective arrangement than the little that is available through rehabilitation service, because many of the men, I discover, cannot get it because they have not a chit from the "rehab." officer, or something of that nature.

HON. MR. FOOTE: That is not true, Mr. Chairman.

MR. MacDONALD: I have had men come to me and tell me it is true.

HON. MR. FOOTE: Do not let the hon. member believe everything they tell him.

MR. MacDONALD: And I know it was the case. I was talking to one of the workers in the John Howard Society a day or two ago, who related to me one or two instances of men who have not been able to get what they wanted because they did not have a chit from the "rehab." officer.

These are illustrations, Mr. Chairman, of people who are not able to get such assistance. My suggestion is, if we keep a man in an institution for a year, and we spend \$1,500 to maintain him during that time, surely it is "penny wise and pound foolish" to turn him out with \$20 in his pocket, within a framework of circumstances which are going to force him to become a repeater, perhaps within a week. I think we have to find a more effective

way of meeting the needs of people during that difficult period, and to fit them back into society again, so that they will not be forced to become repeaters.

HON. MR. FOOTE: Mr. Chairman, we have considered that question, and have given it a great deal of thought. In the United States they do pay them, in some cases, 10 or 20 cents a day, and the highest of which I know of is 65 cents a day, but that is contingent upon the type of work they do, and the amount they turn out.

Prison labour is notoriously inefficient, we are already faced with a great problem that we are at the end of our resources for expanding our industries because of the objections of organized labour. If we are going to make enough money in prisons, which we could do, if we made our organization more efficient, we could have some money set aside in a fund upon which the man being discharged could draw.

I am inclined to think there is a good deal of merit in that. However, in the last year, I have had more opposition than ever from organized labour. It is a complex situation, and I say to the labour unions and the leaders of your Party, that these are real problems, and it is very difficult at the present time, and I cannot see any expansion of industry which will enable us to give a man something he could use, although I would like to do it.

The other alternative is paying a man for going to jail, which seems rather ridiculous. One of the results of having a branch in Toronto is, we get to know the people who are nothing but "bums," and finally we have to write them off, after we have spent a considerable amount of money on them. I would say some of them received in excess of \$150 before we finally gave them up. We try to look into these cases, and do something for them, and I will be glad to have any further thinking you have on this. I have discussed it with the authorities and the American Correctional Association, as it is called now, and their difficulty is the same as

ours. We cannot make our industries efficient, because we are going to come up against complaints of organized labour, and if we cannot do that, we can scarcely justify paying a man for being in prison. The best we can do is to take the ones who want to do something for themselves, and use this considerable fund to assist them. I am very sympathetic.

MR. T. D. THOMAS (Oshawa): Mr. Chairman, I think the hon. member for York South has a point. There is a great problem there, particularly in the winter time. I know of the case of two men in Oshawa, who came out of an institution last November, and the situation, as you know, was very, very bad in Oshawa at that time, because the strike was on. These men were left to their own resources; they had no unemployment insurance; they could not get any assistance, and a very good friend of mine down there gave them a job labouring on the new hospital. I think we should give some consideration to these things, because it is really hard for them to get jobs and start life on their own resources, and those are the people who usually end up as repeaters.

HON. MR. FOOTE: I appreciate the comment of the hon. member, and I would say really the most difficult situation lies in the man himself, when he turns down every effort we make toward rehabilitating him.

Vote 1,903 agreed to.

HON. L. M. FROST (Prime Minister): Mr. Chairman, perhaps I may be pardoned for saying this now that the Estimates are through. There have been things said about The Department of Reform Institutions, and I want to say that, from listening to the report by the hon. Minister, there is no one more painstaking in dealing with these problems than he. We have had some very good Ministers of Reform Institutions in my day here in the House. The hon. member for Brant, when he was Provincial Secretary, had this prob-

lem in his department. I always thought that the hon. member for Brant made a good Minister.

MR. NIXON: Oh, thank you.

HON. MR. FROST: Then there was the hon. member for Ottawa South, now the hon. Provincial Secretary (Mr. Dunbar) who dealt with this matter, in his very forthright way. There were some other good hon. Ministers as well, but I do feel in The Department of Reform Institutions that the present hon. Minister is a man who is very sensitive and conscientious. As a matter of fact the hon. Minister has had his day in prison himself, in the days of the war. He spent some 3 years in custody, and I suppose it was a very serious type of custody. This is a matter of dealing with human problems and values, people who have, in some cases, certain mental "kinks." I sometimes think that we over-emphasize that part of it, and I would say, with due respect to the hon. member for York South, we should remember that many of these people who get into trouble are just a little bit on the bad side. Do not overlook that they have been before the courts before they became charges in Ontario institutions.

MR. MacDONALD: I am not unaware of that.

HON. MR. FROST: Probably three-quarters of them fit into that category. There are probably 25 per cent. of them who have mental "kinks" of one kind or another, and it is difficult to deal with them perfectly. There will be a large percentage whom it is not possible to handle perfectly.

However, I may say to the hon. member for York South, concerning his attitude towards the department in these matters, that I give him all credit for being conscientious about what he believes in these matters. I am sure a good many of his fears have been dissipated by the obvious knowledge and the eminently fair point of view and mental attitude shown by the hon. Minister himself, which no doubt has gone down through his department.

MR. MacDONALD: The hon. Prime Minister has spoken, so let me say very briefly that I appreciate the sensitivity and I appreciate what the hon. Minister has been attempting to do. I would be less than frank if I did not say there are factors in the picture—to some of which I have referred—which are going to make it impossible to fulfill the programme I have suggested. These very astutely conciliatory words of the hon. Prime Minister have not ended this discussion; it will go on until these fundamental changes are brought about. Do not let me lead you into thinking that your kind words have ended this battle. It is going to go on until we get these fundamental changes.

HON. MR. DUNBAR: You are not threatening?

MR. MacDONALD: No, I am not leaving you with any illusions.

THE CHAIRMAN: Order.

HON. MR. FROST: Mr. Chairman, living in an atmosphere of amity.

MR. MacDONALD: I am willing to live in an atmosphere of amity.

Hon. Mr. Frost moves that the committee do now rise and report certain resolutions.

Motion agreed to.

The House resumes; Mr. Speaker in the chair.

MR. J. F. EDWARDS (Perth): Mr. Speaker, the Committee of Supply begs to report certain resolutions, and asks leave to sit again.

Report agreed to.

HON. MR. FROST: Mr. Speaker, I was going to call order No. 27, that is the Hospital Services Commission Bill. The hon. member for Bruce (Mr. Whicher) is the next speaker. It is now 5.45 of the clock, and if he would prefer not to go on, I will deal with some routine matters, but if he prefers to speak now, I will call the order.

MR. WHICHER: I think we should let it go for tonight.

HON. MR. FROST: Very well.

THE PROVINCIAL LAND TAX ACT

Hon. C. E. Mapledoram moves second reading of Bill No. 117, "An Act to amend The Provincial Land Tax Act."

Motion agreed to; second reading of the Bill.

THE TRAINING SCHOOLS ACT

Hon. J. W. Foote moves second reading of Bill No. 97, "An Act to amend The Training Schools Act."

Motion agreed to; second reading of the Bill.

THE DEPARTMENT OF ECONOMICS

Hon. D. Porter moves second reading of Bill No. 115, "An Act to establish The Department of Economics."

Motion agreed to; second reading of the Bill.

THE FINANCIAL ADMINISTRATION ACT, 1954

Hon. Mr. Porter moves second reading of Bill No. 116, "An Act to amend The Financial Administration Act, 1954."

Motion agreed to; second reading of the Bill.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair, and the House resolve itself into the Committee of the Whole.

Motion agreed to.

House in committee; Mr. Edwards in the chair.

Resolution No. 4, by hon. Mr. Mapledoram resolved *that*,

where land to which The Provincial Land Tax Act applies is in a provincial park, the Lieutenant-Governor-in-Council may fix the rate of the annual tax at a rate not exceeding 4 per cent. upon the value of the land or the taxable interest therein or upon such proportion of the value of such land or interest as he determines, and he may fix a different rate for lands in different provincial parks.

and that,

there be taxation on pipe lines on lands outside municipalities,

as provided by Bill No. 117, An Act to amend The Provincial Land Tax Act.

Resolution agreed to.

THE LAND SURVEYORS ACT

House in committee on Bill No. 80, "An Act to amend The Land Surveyors Act."

Sections 1 to 10, inclusive, agreed to. Bill No. 80 reported.

Hon. Mr. Frost moves the committee do now rise and report one Bill without amendment, and a certain resolution.

Motion agreed to.

The House resumes; Mr. Speaker in the chair.

MR. EDWARDS (Perth): Mr. Speaker, the Committee of the Whole House begs to report one Bill without amendment, and a certain resolution, and begs leave to sit again.

Motion agreed to.

HON. MR. FROST: Mr. Speaker, in moving the adjournment of the House, may I say to the hon. members that tomorrow night there will be a night sitting. Tomorrow we shall deal with the continued debate on order No. 27 on today's order paper, dealing with Bill No. 112, "An Act to Establish the Hospital Services Commission of Ontario," and the House will consider the Estimates of the Department of Education, The Department of Mines,

and The Department of Public Works. I do not necessarily mean they will be called in that order.

MR. MacDONALD: In what order will they be called, Mr. Prime Minister?

HON. MR. FROST: I presume they will be in the order I have mentioned, but if the House is given notice, I do not think it makes any particular difference in which order they are called.

Mr. Speaker, tomorrow at 10 o'clock, the Committee on Health will meet, and the first discussions in connection with hospital insurance will be held. May I remind the hon. members that the committee will meet in Committee Room No. 2 at 10 o'clock tomorrow morning.

Hon Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6 of the clock p.m.



Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Wednesday, March 14, 1956

Afternoon Session

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

WEDNESDAY, MARCH 14, 1956

3 O'CLOCK P.M.

And the House having met.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of Bills.

THE FARM PRODUCTS MARKETING ACT

Mr. R. Whicher moves first reading of Bill intituled, "An Act to amend The Farm Products Marketing Act."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, this Bill will permit the Farm Products Marketing Board to recommend the adoption of a scheme for the marketing or regulating of a farm product if two-thirds of those voting are in favour of it. At present the percentage of votes required for approval is prescribed by regulation and the percentage is taken of all those eligible to vote whether actually voting or not.

MR. SPEAKER: Orders of the day.

MR. S. J. HUNT (Renfrew North): Mr. Speaker, before the Orders of the day, there is a little matter which I would like to bring to the attention of the House. I have here a clipping from

the *Toronto Star*. I suppose nearly all the hon. members read the *Star*, but just in case some do not, I would like to bring this to your attention. Last week there was on display an exhibit of woodcarving at the Prospectors and Developers Association Convention. This article reads:

A Toronto convention viewed a masterpiece in woodcarving yesterday, made by "Abe" Patterson of Pembroke, a man of international reputation . . .

He is a man of international reputation as a sculptor in wood. This exhibit was shown there and was purchased at the close of the convention by the hon. Minister of Mines (Mr. Kelly) to be placed in the government buildings, according to this article. This is not the first piece of Mr. Patterson's woodcarving which has been purchased by one of our provincial departments. If any of the hon. members have occasion to drive into Algonquin Park through the south or west gate, they will see there two tall pillars carved in wood by this same artist.

Mr. Speaker, I might read a little further from the article:

"Abe" has shipped carvings to dozens of countries. His biggest market is the United States, but his handiwork also has gone to Denmark, Switzerland and England; Germany, South Africa and Japan, and Australia, Italy and France.

Mr. Speaker, according to this article, he has been filling orders for decorative woodcarvings for several years for a

summer estate near Madawaska. Among some of his unusual orders was one to carve a passage from the Scriptures into a wood panel. He has travelled extensively in the United States and Mexico. He had not the advantage of a university training, but is self-taught. He never received any formal training in carving. He started work in a logging camp. During the year 1933, he turned to wood turning as a trade, with very great success. He says now that he has 8,700 orders to carry out.

Mr. Speaker, I would like to bring to the attention of the hon. Minister of Mines and suggest that this piece of work, which he saw fit to purchase, be placed in one of the corridors of the buildings, alongside some of the other mining exhibits which have been there for years. It would be good advertising for the county of Renfrew, as we are more or less remote from the centre of government and do not very often have occasion to bring anything to place on exhibition in our Toronto buildings.

HON. G. H. DUNBAR (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

Report of the Ontario Food Terminal Board, Department of Agriculture of Ontario, for the year ended March 31, 1955.

MR. SPEAKER: Before the Orders of the day, I would like to welcome to this assembly this afternoon two groups — one from Unionville Public School and another from Oriole Park Public School; and also two groups of ladies, the first representing the IODE, from Niagara Falls, and the second, a large group of ladies from the town of Midland.

THIRD READINGS

The following Bills, upon motions, were read a third time:

Bill No. 4, "An Act respecting the township of Etobicoke."

Bill No. 12, "An Act respecting the town of Timmins."

Bill No. 14, "An Act respecting the city of London."

Bill No. 15, "An Act respecting Ottawa Community Chest."

Bill No. 18, "An Act respecting the town of Fort Erie."

Bill No. 20, "An Act respecting the city of Ottawa."

Bill No. 22, "An Act respecting the city of Port Arthur."

Bill No. 23, "An Act respecting the Presbyterian Church in Canada, Synod of Toronto and Kingston."

Bill No. 25, "An Act respecting the Canadian National Exhibition Association."

Bill No. 26, "An Act respecting the city of Toronto."

Bill No. 35, "An Act respecting the city of Windsor."

Bill No. 36, "An Act respecting the city of Hamilton."

Bill No. 37, "An Act to incorporate the Metropolitan Toronto Foundation."

Bill No. 38, "An Act respecting Assumption College."

Bill No. 42, "An Act to amend The Credit Unions Act, 1953."

Bill No. 44, "An Act to amend The Jurors Act."

Bill No. 46, "An Act to amend The Insurance Act."

Bill No. 54, "An Act to amend The Provincial Aid to Drainage Act, 1954."

Bill No. 62, "An Act to amend The Fire Marshals Act."

Bill No. 65, "An Act to amend The Land Titles Act."

Bill No. 72, "An Act to amend The Crown Timber Act, 1952."

Bill No. 73, "An Act to amend The Highway Improvement Act."

Bill No. 79, "An Act to amend The Archeological and Historic Sites Protection Act, 1953."

Bill No. 92, "An Act to amend The Regulations Act."

Bill No. 93, "An Act to amend The Trustee Act."

Bill No. 94, "An Act to amend The Securities Act."

Bill No. 95, "An Act to regulate the Use of Pesticides."

Bill No. 96, "An Act to amend The Sanatoria for Consumptives Act."

Bill No. 98, "An Act to establish the Ontario Water Resources Commission."

Bill No. 80, "An Act to amend The Land Surveyors Act."

MR. SPEAKER: Resolved that the Bills do now pass, and be intituled as in the motions.

The House, upon Order, resolved itself into the Committee of Supply.

ESTIMATES, DEPARTMENT OF ECONOMICS

On vote 301:

HON. DANA PORTER (Provincial Treasurer): Mr. Chairman, I would like to make a few comments on these Estimates. The Estimates for The Department of Economics make provision for the setting up of the department under the Bill which has now had second reading.

The work of the government today, as everybody must appreciate, has expanded enormously compared with what it was a few years ago. For the last 10 years or so, The Treasury Department has included a branch headed by the provincial economist. The function of this branch has been to make studies of trends of various kinds, so that the government, in setting its policy in various directions, would have very valuable information assembled and co-related, which can best be shown by means of trends in various lines of work.

Before that, for some years, there was a branch of statistics, headed by Mr. Harold Chater, who retired a few years ago. That branch collected statistics of various kinds which were considered to be useful for the purposes of various departments of government, and of interest to many segments of the public.

It gradually grew into the economics branch of The Treasury Department, later to be headed by an official known as the "provincial economist."

There have been many types of service which have been required to give us guidance in setting policy. There have been many different types of negotiations which have gone on between this government and the federal government, and on various occasions between this government and others, relating to common problems, most of which required study by trained men with a background in economics.

This branch has expanded in the course of time, as a result of the multitude of problems which require attention and study, before any intelligent solution can be found to many of these major problems.

In the course of years, the hon. Prime Minister has had occasion to assign various questions and refer certain studies to the provincial economist and his staff, and they have developed considerable skill in obtaining information, co-relating it, and presenting it in a way which assesses the various problems which will be involved in finding proper solutions.

As I mentioned at the time of introducing the Bill setting up this department, on first reading, the work of this department has been carried on to some extent independently of the general work of The Treasury Department, as a whole. The Treasury Department's main functions are to collect the revenues and to set the Budget. Of course, in arranging a Budget, and determining the distribution of money which may be levied by way of taxation, it is extremely important to have the assistance of men with special training in economics, who can help, to a very large extent, in determining some of the needs of one of the departments in relation to others.

It is a department the particular function of which is to look at the problems of government as a whole, from an economic point of view, in a comprehensive way, rather than from the viewpoint of one department. In that respect, the work of The Department of

Economics has gone beyond the ordinary functions of The Treasury Department, which are sufficiently onerous in themselves, and in some respects, of a different nature.

As I say, most of the assignments which were given to this branch have been given directly by the hon. Prime Minister (Mr. Frost), latterly in his capacity of Prime Minister, and, for a number of years as Provincial Treasurer. Today, assignments are still referred to this branch by the hon. Prime Minister, and by the Provincial Treasurer, directly from time to time. Thus in many respects, it is not like many branches of the department which come under the direct supervision of the Deputy Treasurer, but has established a status and a reputation which leads us to believe that it is in the interest of the development of this branch of the service that it should be set up as a separate department, under the direction of a deputy. It is not a large department, which requires a separate Minister, but it will be set up under the direction of the Provincial Treasurer.

The provisions made in the Estimates are to provide for salaries of the staff, including economists, some accountants and experts of that kind, and, of course, the usual secretarial staff which is necessary.

I feel that the work of this branch has earned the very favourable comments of those who have come into contact with it from outside, as well as inside the service. Various studies have been made, and as I mentioned before, the submissions which were made to the Gordon Commission were compiled and co-ordinated, set in order and drafted by what will become The Department of Economics. That, in itself, is in a sense almost a monument to the work which has been done by this branch of government. That branch has charted out the possibilities and trends and projections into the future of what we are to be faced with in this very rapidly growing province. The more rapidly we grow in population, in industrial development, and in every other possible way, the more essential

it is to keep our finger on the economic pulse, not through water-tight compartments of the various departments of government entirely, but to a much greater extent from the viewpoint of the prospects before us, in a comprehensive way, viewed as a whole.

Therefore, Mr. Chairman, I recommend to this House these Estimates which are designed to take care of the ordinary expenditures of this department during the ensuing year.

Vote 301 agreed to.

ESTIMATES, DEPARTMENT OF EDUCATION

HON. W. J. DUNLOP (Minister of Education): Mr. Chairman, in presenting these Estimates of The Department of Education to the House for approval, I should like to outline some of the activities of this department which are possibly not so well known as are the standard activities of elementary, secondary and higher education.

It occurred to me that the House might be interested in hearing something, for example, about the Ontario School for the Blind, which is located at Brantford. I wish the hon. members might occasionally take time to visit that school. They would see there, 182 boys and girls unable to see, some of them able to see a little, of whom 26 are from Manitoba, 13 from Alberta, and 23 from Saskatchewan. Those who come to us from other provinces are taken care of by their own governments to the extent of \$750 per year each. Our French-speaking blind children are cared for in Montreal institutions, for which the government of Ontario pays the same amount, \$750 per pupil.

These pupils in the School for the Blind may be admitted at the age of 6. They may remain in the school—and usually do—until the age of 21. The government takes care of all expenses: board, lodging and so on. This is a residential school, and their parents or guardians are expected to take care of transportation, clothing and pocket money.

These young people in the School for the Blind follow the usual course of study, being taught Braille first of all, and most of them make very excellent progress to the end of Grade XII.

They have their difficulties, of course. We cannot teach them much of science nor mathematics, although there are some of them who can take those subjects.

When they are finished, we provide placements for them in positions through the Canadian National Institute for the Blind, which takes over that responsibility.

Then, too, we have extra-curricular activities for these children in the School for the Blind. We find that the boys take a great deal of pleasure in swimming in the YMCA pool in Brantford, and skating on the school rink is one of the most important and most pleasurable of their extra-curricular activities. So that school is carrying on with what will be agreed, I think, to be a very excellent humanitarian activity.

We have, at Belleville, the Ontario School for the Deaf. In this school, we have 379 pupils, all of whom are from the province of Ontario. These children may be admitted at the age of 5½ years, and usually spend from 12 to 14 years in the institution. They are taught languages, and if you were to visit that school, you would see what seems to be an impossibility being accomplished.

These children have an opportunity, deaf as they are, to learn to speak, and I have seen them speaking. It is a laborious process, as I have said. They are not able to speak fluently, but I have seen some young people, 18 or 19 years of age, speaking, although perfectly deaf. They do not go quite so far in the regular course as do the blind children. They finish Grade VIII, and then after Grade VIII, one year of academic work is about as far as they are taken, and then they spend a full year in vocational work, and are taught one of several vocations.

The French-speaking children are taken care of in Montreal. There is an organization which provides for the

placement of those who graduate from these vocational courses in the Ontario School for the Deaf.

So those two schools—for the blind, and for the deaf—are performing a great service to the handicapped children in both cases.

Another activity of The Department of Education which is not generally known is the audio-visual branch of our department. This branch provides broadcasts, and sends out films to schools on various subjects, and the audience last year—even though it is the same audience over and over again in every case—amounted to a total of over 8 million who were shown these films. That is in addition to our regular courses, and another way of making the teaching in the schools somewhat more interesting.

Another branch is that which provides correspondence courses. I would like the hon. members of the House, Mr. Chairman, to remember this fact, if they will, that The Department of Education has, in that branch, correspondence courses in every subject in the elementary and secondary school curricula. A young person may begin a correspondence course, with the aid of his mother or father, at the age of 5 or 6 years, and carry right through to Grade XIII. I have known of young people in remote areas in this province who have begun correspondence work at the early age of 6, with the help of the mother, and carried on until, later on, the family moved to a place where a school was available. We have nearly 2,000 taking these academic correspondence courses. We have some trade courses, also. For the academic courses, no fees are charged; for the trade courses, a nominal fee of \$10 per course is charged.

Then we have another branch, the library branch. That is the branch from which travelling libraries are sent out, chiefly to schools, but also to other places throughout the province, particularly northern and northwestern Ontario. They go out, and remain for a certain time, and then come back, and the people who require that service are provided with it by means of the travelling

libraries. There is also, in that branch, the inspection of public libraries.

Another branch is that known as the "community programme branch," which deals with adult education, recreation, drama, music, and so on. This is for adult young people, and not for school children. It develops the talents of the young people, 18 to 20 years of age or over, in the various localities, as far as they are able to go, throughout the province.

Then we have, as well, certain "institutes," as we call them. Of course, as all hon. members know, the greatest of these is the Ryerson Institute of Technology in Toronto, which has already earned an international reputation and which is doing particularly good work.

As the hon. members of the House will remember, last year we undertook the commencement of new buildings for that institute so that, as time goes on, it will become one of the greatest of its kind—if not the greatest—in North America.

We have another institute in Hamilton, the Textile Institute, which is not attracting at the moment as many students as we would like, because that industry seems to be somewhat depressed, but, so far, the students have been able to obtain positions without any difficulty. We have another institute, called the Mining Institute in Haileybury, which is increasing in popularity, and which has over 100 students this year.

Then we have the Lakehead Technical Institute, about which I have said a great deal during this session.

So we are providing for the education and training of all children in this province, so far as they will take advantage of it, or as we can make them take advantage of it.

I have not said much during the session about the work for retarded children, which is something which has filled a great need. Retarded children are being taken care of in schools of their own, managed by their parents, and, to a large extent, by retired teachers who have been taken on for that special

work. At the present time, we have nearly 800 retarded children in those schools. That work will be expanded as times goes on, and will provide education—so far as we can give it—and certainly training to the children who are handicapped.

In any locality in the province, there are, as all hon. members know, 4 divisions of young people. There are those who at the end of Grade X drop out of school, look for positions, secure them, and carry on without any further education. Of course, some of them may go further, but they do not go any further than high school.

Then there are those, comprising a large percentage, who want some technical training, and who want to go into occupations for which they can be prepared, such as printing, journalism, interior decorating, interior designing, and so on. We are providing for those people in our technical schools, and, in a few years, I think we shall be ready to take care of more of them in local technical institutes. That represents two groups of young people in each locality.

Then there is a third group which I think approaches 18 per cent. who say, "I want to enter teaching," and more and more of them are attracted to the profession of teaching. They are taken care of in our teachers' colleges, of which we have 9. We have two now in London, because of the greatly increased enrollment; two in Toronto; two in Ottawa; one in Hamilton; one in Peterborough; one in North Bay, and one in Stratford. In these teachers' colleges, I am glad to say, we have 3,159 prospective teachers, a greater number than there has ever been in these institutions in the history of the province.

Then there is the fourth division, composed of 7 or 8 per cent—or perhaps even up to 11 per cent.—in some localities, who say, "I want to go to university." For those, we are preparing increased accommodation immediately in the 7 universities of the province, and when we have been able to provide proper accommodation and make the necessary changes, with the co-operation of the universities, to enable us to take

care of this increasing number, and when the universities have all they can properly take care of, then we will begin our programme of junior colleges.

Of course, we have already begun with one junior college at the Head of the Lakes at the present time. So the entire pattern of education for the province takes care of every young person who is ambitious to make something of himself or herself, and who indicates a desire to go on for a career. This infers no discredit whatever on those who do not wish to go on, and drop out after Grade X. Perhaps their dropping out is a mistake; perhaps not. I suppose it depends on circumstances. At any rate, facilities are provided for all the young people of Ontario.

Having given that explanation, Mr. Chairman, may I undertake to deal with the Estimates in detail.

MR. D. MacDONALD (York South): Mr. Chairman, before the hon. Minister deals with the Estimates in detail, I wonder if I may be permitted to take a few moments to look at the over-all picture.

The hon. Prime Minister made a comment a year ago that "education is our greatest problem," but I think his comments were in relation to the financial problems which face us in the province of Ontario at this time.

I have given this matter a very great deal of thought, and have done something I have never done before, that is, to set it down, and I propose to follow the text, so I may be as concise and take as little time as possible.

HON. MR. DUNBAR: That is great news.

MR. MacDONALD: Mr. Chairman, I want to suggest that education is our greatest problem, for another reason—one that does not jibe with the remarks the hon. Minister made with regard to educational opportunities in this province at the present time.

I think the time has come for a thorough assessing of the extent to which our educational system is meeting the

needs of a rising generation in the 20th century. I want to suggest to hon. members that our educational system is not doing that job; that, for a great proportion of our children, it is providing neither an education in the broad sense, nor adequate training of whatever native skills they may be endowed with to make a living.

Now let me give you immediately what I feel is conclusive proof of that sweeping assertion. Statistics concerning what happens to our children as they move through the school system reveal that, of every 100 children entering Grade I—

only 97 complete Grade VI
only 90 complete Grade VII
only 84 complete Grade VIII
only 58 enter secondary school
only 46 remain in Grade X
only 31 remain in Grade XI
only 21 remain in Grade XII
only 13 survive to Grade XIII
and just 4 of the original 100 go on to university.

I would ask the hon. members of the House to attempt to absorb those figures, because I think they represent a rather disturbing feature.

Now let me add a word of explanation to those figures. They represent the situation as it was about 1950. They come from studies that were prepared for the Royal Commission on Education, and they used to be carried in the *Annual Report* of the hon. Minister in those years. Since then the situation has altered somewhat, in this way: with the abolition of entrance examinations the wave of pupils has tended to drop off, not so much at the entrance level, but a year or so later when they reach 16. But this change has not altered the ineffectiveness of the curriculum in meeting their needs even when they do carry on.

My basic point is that the drop-outs throughout our schools are so serious, particularly once the intermediate level has been reached, that the time has come to quit deluding ourselves that our school system is meeting the needs of the rising generation.

Now, this is not a new problem. It is one that has been claiming the attention of all interested in education, notably since the end of the war. For example, during the latter war years there was established a body known as the Canadian Youth Commission. It was headed by Dr. Sidney E. Smith, now president of the University of Toronto. One of its studies, entitled "Youth Challenges the Educators," made this comment, at page 82:

The inadequate financial basis of education in many provinces serves as a bar to the enrichment of educational offerings. The secondary education of professors, lawyers, doctors, teachers and preachers is very much cheaper than that of stenographers, mechanics, electricians, farmers and carpenters; so we continue (except in the most advanced and wealthy regions) to educate the professional few and to botch the education of the great mass of workers.

That is the comment of the commission, headed by Dr. Sidney E. Smith, made about the year 1946.

Now, here in Ontario, a growing awareness during the war of the need for re-examination of our whole educational system led to the setting up of the Royal Commission on Education. But I want to suggest that the Hope Commission was, for the most part, an abortive effort. The commission was conceived in politics; its whole life was bedevilled by politics — in spite of which, it should be added in all fairness, the commission did a great deal of valuable research and study into the facts of our educational system. Finally, the Hope Report was born in politics, and for reasons which I shall not go into here, it was virtually still-born. For it immediately became such a hot political issue that the government of the day shelved it to gather dust along with so many other commission reports.

However, one potentially important result flowed from the Hope Commission Report. This was the realization that something was sadly wrong with what our schools offered at the inter-

mediate level. Proof conclusive of it was that, while 58 of the original 100 children entering our schools at Grade I survived high-school entrance examinations, by the time they reached Grade XI only 31 were left. Clearly, beyond any shadow of a doubt, our school curriculum in the early high-school years was not meeting the needs of the great majority, so they simply dropped out.

Here, in the words of the Canadian Youth Commission, is where we are meeting the needs of the professional few, but seriously botching the educational needs of the great mass of Canadian children.

No doubt, it was in an effort to meet this situation that there emerged the so-called "Porter Plan." This was an attempt to provide courses in the intermediate division of our school system that would more fully meet the need of our children.

I have here, for example, a statement of *Objectives for the Revision of the Curriculum in the Intermediate Division*, put out by The Department of Education in 1951, over the signature of the then Minister of Education, Dana Porter.

Let me read you a few excerpts from this document, to be found under the general heading of "Grade IX Course for Slow Learners":

On page 7:

Many pupils in Grade IX start 4-year courses which they do not finish, and in many cases they drop out of school with a sense of frustration or failure.

On page 8:

One of the aims of the school programme is to provide for each individual those activities which are adapted to his particular capacities and in which he may participate with reasonable success and satisfaction. . . . To meet the demands arising from these individual differences, the curriculum of the Intermediate Division should be kept flexible and diversified.

Then, on page 9, there is a suggestion of how this is to be done:

Freedom within wide limits to construct courses of study have been used with success in many part of Ontario. Such programmes, designed to meet local needs, have been effective in holding the interest of pupils, decreasing the number of pupils dropping out of school, and improving the quality of community life. Curriculum planning by local committees of teachers will extend these beneficial results and will enable schools to provide more realistic and interesting courses.

Now I want to suggest that that statement, while pretending to be an expression of reality, was really an expression of hope. True, there are some schools in the province which have worked out new courses to meet the needs of the children, but not on a wide enough scale to justify the implication that the over-all problem has been met.

I want to suggest further that it will always remain an expression of hope, rather than reality, as long as The Department of Education continues to "pass the buck" to the local level for reshaping of curriculum.

For example, in the next chapter, page 10 onwards, of the 1951 proposals for a revised curriculum, it points out that with the discontinuance of high school entrance examinations, the decision as to whether a pupil shall be promoted from Grade VIII to Grade IX is left to the principal. Furthermore, it goes on to point out that since it is realized that the regular courses in Grade IX may be inadequate to meet the needs of some pupils whose best interests, for whatever reason, may be served by their promotion, then it becomes the duty of the principal and the staff of the secondary schools to arrange programmes that will meet the needs of these pupils who are slow learners.

Now, I want to pause here for a moment to suggest in the strongest terms possible that experience has proven that this approach to providing

a curriculum that will hold our children in school, and meet their needs, is a highly unrealistic and ineffective one. Instead of the defeatist attitude assumed by The Department of Education after the Royal Commission Report was presented to the government in 1950, why not face the facts presented time and time again by inspectors' and teachers' organizations in Ontario? I ask the hon. Minister—why do we continue to "pass the buck" to an unknown and undefined local level of administration regarding curriculum planning?

If we are going to meet the curriculum needs of our children, the time has long since passed when we must have a director of curricula for the province. Instead of shelving this responsibility to the local level, where the day-to-day preoccupation with teaching is such that it cannot be handled effectively, I want to suggest that the leadership must inevitably come primarily from the departmental level. To work out the intricate development of academic, technical, commercial and trade training, there should be a qualified assistant from each of these branches to form an advisory committee at the departmental level, working with a director of curricula. Only then will there be some hope of meeting the need.

Let me point out that the need for a more suitable curriculum has become even greater. With the elimination of examinations for entrance into high school, thousands of pupils don't drop out at this point — as they used to. Rather, they drift on for a year or two — perhaps getting further promotions. But by the department's own admission in the so-called "Porter Plan" document, the course of study they have to cope with is not suitable. They are slow learners. They have not mastered the work so far. Though they remain in school, their needs are not being met. The results are something we cannot ignore any longer.

Many of the students with normal or average IQ, between 90 and 110, cannot cope with the academic course. Practically all of the students in the

IQ bracket of 70 to 90—and they represent almost a quarter of the normal population—simply cannot cope with the academic course.

For example, in the industrial courses offered in our technical schools which have sought to meet the aptitudes of children who tend toward technical rather than academic studies, it has been found that out of every 100 students who enroll in Grade IX, an average of 22 graduate from Grade XII. What happens to the 78 per cent. of them who fail? It has been found that they fail on academic subjects. In fact, the failures in academic subjects imposed upon those in industrial courses range from 53 per cent. in Grade IX to as high as 88 per cent. in Grade XII. Clearly, even in these courses which seek to meet the needs of children not academically inclined, they are failing because those courses are not suited to the needs of the children. These children are being led up an educational blind alley.

Not only do they fail to get an education, but their schooling is an experience of growing frustration which results in behaviour problems whose consequences flow out into all society, and remain with these children all their lives.

For example, it is from among these children, in their desperate effort to escape the frustration of an educational system that is not meeting their needs, that our greatest truancy problem emerges. Studies of family court cases, here in Toronto, as well as in Britain and many cities of the United States, indicate that it is from these children that the bulk of our juvenile delinquents come. And from the juvenile delinquents come those graduates through our reform institutions; from training schools, to reformatories and industrial farms, and a tragic number of them, into our penitentiaries. The root of the problem lies, not wholly but in good part, in an educational system which attempts to impose upon them a course they cannot cope with, and which does little or nothing to develop their limited abilities for what might be an effective life work—if those abilities were given a chance.

In short, we must wake up to the fact that our educational system is still designed primarily to meet the needs of the professional few, and is botching in a tragic way the education of the great mass of our children.

The reason is that down through the generations, legislators have refused to provide an educational system that is directed to the needs of the great majority whose destiny in life is chiefly to work for a living at some trade. They are never assisted to develop their abilities to master whatever trade is best suited to their abilities. Some day we must alter the emphasis in our educational system to meet the needs of this great majority. And until we do, our educational system will continue to fail—as it is tragically today.

In short, we must recognize the need for trade training, and meet it as part of our publicly-supported school system.

What are we doing today? We are making two feeble gestures toward it. One is our apprenticeship training courses, to be found over in The Department of Labour, a sort of educational step-child, languishing off in another department instead of being the integral part of our educational system.

The second gesture is the provincial Institute of Trades, to be found on Nassau St. here in Toronto. I wonder just how many hon. members are aware of the existence of this provincial institution? Here is an institution, operated under The Department of Education. I visited it on Monday morning of this week, and learned from its principal that enrollment in its apprenticeship courses from assigned trades is down 30 per cent. to 40 per cent. this year.

The story back of it, just to document our record of neglect and failure in this phase of education, actually goes back to the early years of this century. About 1908 or 1909, when Ontario was emerging as an industrial province, the government sent overseas the superintendent of education, Dr. John Seath, who made a study of the trade training offered in the publicly-supported school systems

of Britain and other European industrial countries.

Out of the report of Dr. John Seath, *Education for Industrial Purposes* (1910), and others in the first 25 years of the century, there emerged what is known as the industrial course in our technical schools. But the history of this industrial course reveals that it was originally intended as a general training for the potential labourer in industry, and as preliminary instruction for the mechanical and building trades.

Instead of following these plans, as originally envisaged in The Industrial Education Act of 1911, the industrial course has adopted a role parallel to that of the technical high school course, and both leading to the secondary school graduation diploma. Although this is in accord with the initial demands of industrial management for the training of potential foremen and junior executives, it does not meet the early requests of the trades and labour representatives for an appropriate education for those whose destiny it is to work in trade and industry.

Despite the fact that permissive legislation for industrial schools has been on the Statute books since 1911, no such school has ever been introduced in the province.

What has been the result? Does the record show that boys and girls who drop out of our elementary and secondary schools do not desire any further education? On the contrary, their desire is so great that there have been literally thousands of private trade schools sprung up over the years to exploit for profit the educational needs of these people who couldn't get what they needed in our regular education system. In fact, these private trade schools had developed into such a racket that in 1938, the government was forced to pass The Trade Schools Regulation Act, forcing these schools to register with The Department of Education.

Just to show you how widespread the racket was, the 1939 report of the registrar of trade schools in Ontario showed that nearly 200 private trade

schools operating in the province were investigated and only 33 were given certificates to continue operation. That report went on to point out that literally millions of dollars were paid by people seeking the education they were not able to get in the regular school system. In fact they cited one school, with headquarters in the United States and operating branches here in Canada, which during the year 1938 enrolled 14,856 students at \$225 each, thus creating a total expenditure of over \$3.3 million. Much of this money was forwarded to headquarters outside of the province, and a great deal of it was money down the drain, for the number finishing the course was variously estimated at only 3 to 7 per cent., so the 1939 report revealed.

Now I am not suggesting that these trade schools are still operating on such a racket basis. But I draw your attention to the fact that the latest report of the hon. Minister of Education reveals on page 25 that there were 130 applications for licence under the Trade Schools Regulation Act in 1954; that 7 of these schools were new, offering courses in commercial art, welding, business, drafting and television servicing.

But our crying need is for public trade schools, not private ones, as part of our educational system, so as to be able to meet the aptitudes of that great percentage of our students who drop out of our schools, or who get little or nothing if they stay in.

Surely it is a matter of the highest irony that the federal Minister of Justice pointed out to the House of Commons that on many occasions young inmates of our penitentiaries have refused tickets of leave granted them because they found that if they left they could not continue their trades training in any public institution outside the penitentiaries.

Surely it is bitter irony that, apart from the provincial trades school on Nassau St., the only institutions offering formal training in some trades are the few schools, like the Jarvis Street School for boys, which seeks to meet the needs of retarded boys, or those of border-line

intelligence. Instead of regarding a trade as a noble calling, suited to those who have the abilities, our existing system regards it condescendingly as something as a last resort for those of slow or border-line intelligence. And the irony was underlined still further by the fact that during the war, when we were fighting for our survival, we were willing to offer the trades training to many, but now, in times of peace, we deny it and many aptitudes are wasted by our denial.

I want to suggest to the hon. Minister that important though many other aspects of the educational programme raised by his Estimates may be, none is really so important as this: that we should review our educational system, and reshape it so that not only can we provide for the professional few, but that we shall cease to botch the needs of the great mass of our children who drop out of school before their time, or remain at the price of endless frustration.

We need more industrial schools. We need action regarding permissive legislation which has been on the Statute books since 1911. We need industrial schools, not operated on the entrance procedure of the provincial Institute of Trades where pupils can get in only through the back door, so to speak, as an apprentice from an assigned trade. Rather we need industrial schools which will give children as much general education as they can absorb, with vocational guidance to choose the trade they find most to their liking and aptitudes, and finally, with the training so that they can go out with the basic qualifications of a skilled tradesman. In brief, let the pupils enter these industrial schools by the front door, directly from the secondary schools.

The hon. Provincial Treasurer concluded his Budget speech the other day with a peroration on the importance of education. In orthodox fashion becoming a Conservative, he paid lipservice to the need for scientific and technical training, but then returned to lay emphasis once again on the role of the humanities in education. I want to say to the hon. Provincial Treasurer that I,

like he, was schooled in the humanities, and I hope that I can truthfully say that I have no less an appreciation of them than he has. But I am certain that without more scientific training, and what is equally important, an underpinning of that scientific training by technicians and tradesmen of real skill, the future of our way of life may be in mortal peril.

I draw to the attention of the government that just a short time ago, Britain's Prime Minister Eden announced a programme amounting to \$1 billion for expanded technical education. Those who have studied Germany's phenomenal postwar recovery claim that one of the basic reasons for it is the extensive technical trade training available to the German people as part of their school system. From the best intelligence reports we have of developments in Russia with its present 5-year plan, they are racing ahead on the basis of a scientific, technical and trades training that has far outstripped us.

Indeed, just a few months ago Dean Dunning, of Columbia University, chairman of the United States Man-power Commission, reported that in his opinion the United States may have already lost the man-power race to Russia. If that be true of the United States of America, it is equally, if not more true, of Canada. Now hon. members may not be willing to accept these warnings at their full face value, but I respectfully suggest to this House and to this government, that to ignore these warnings may be to threaten the future of our civilization.

The 20th century has been described as the century of the common man. We cannot continue to drift with an educational system that is meeting the needs of the professional few, while, in the words of Dr. Sidney Smith's Canadian Youth Commission, we botch the education of such a great proportion of our children. There is no more appropriate place to re-assess and reshape our educational system than right here in Ontario, the industrial heartland of this nation.

I would appreciate hearing some comment from the hon. Minister as to

whether he thinks this line of reasoning, regarding this great inadequacy in our educational system, as I point out, is one his department feels is important enough to take some action to meet in the years that lie immediately ahead.

HON. W. J. DUNLOP (Minister of Education): A very fine speech, Mr. Chairman, and I am trying to remember where I have read a good part of it before.

MR. MacDONALD: I can tell you where all the basic information is available. It is available from the Hope Commission, the education of the "slow learner," and so on, by a man who has a very good name. His name is George MacDonald. I got this from the library of the Ontario College of Education, and other hon. members can get it, if they so desire.

HON. MR. DUNLOP: Yes, Mr. MacDonald is on the staff of Western Tech., and is a very fine man. I remember a time, Mr. Chairman, when The Department of Education was accused of being dictatorial, and telling school boards exactly what must be taught, and requiring strict adherence to the instructions which were sent out. That, of course, was not acceptable to school boards or trustees or teachers, so gradually we came around to a situation where we left as much as we could to the school boards. For instance, there are industrial cities or industrial towns, where the school boards decide that certain courses are more necessary than others; then there are residential towns, where they think quite differently.

The Department of Education does not wish to be dictatorial but to delegate as much authority as possible, in a democratic way, to the local boards. There is one figure which I might correct: the proportion of those who go on to universities nowadays is 7 per cent., quite definitely.

MR. MacDONALD: It was 4 per cent. in 1950.

HON. MR. DUNLOP: Mr. Chairman, there are 139 of our secondary schools which have agricultural departments and which give the pupils something worthwhile to occupy their time, attention, and intelligence for a few years. We have 44 composite schools doing the same thing. There are 17 vocational schools, 5 special vocational schools, with 43,336 young people attending them.

Of course, we have many terminal courses. The picture is not quite so gloomy. We are getting along very nicely. Perhaps I am an optimist and the hon. member is not.

Mr. Chairman, here are some modifications in vocational education which are working out very nicely. I have mentioned the two-year terminal courses related to certain trades and to junior office work, and the adjustment of content method and time allotment between practical and academic subjects, to meet the needs of those who propose to leave at the age of 16.

We have courses for building trades and for cleaning, repairing and pressing, at the central Technical Institute in Toronto. We have courses for building trades in London and York Township. We have commercial courses in several schools and we even have beauty culture and homemaking courses at Ottawa. Therefore, Mr. Chairman, the picture is not very gloomy.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Chairman, I want to make a few general remarks. Having listened to the hon. member for York South reading quickly that well-prepared document, I wonder if the whole educational system is worth saving. If I were easily persuaded, it would not be necessary to make any further remarks.

I think the educational system has its shortcomings, but I believe the structure itself is substantially sound, and that what we can do as legislators here is point out where these weaknesses exist in the first instance, and how in our judgment they can be rectified and corrected.

Mr. Chairman, there are 3 points on which I wish to touch, before we go into consideration of the itemized Estimates. The first point relates to the grants from The Department of Education to the school boards of the province. I want to admit at once to the hon. Minister and to the hon. Prime Minister (Mr. Frost) that I am quite cognizant of the fact that grants have been increased to school boards over a number of years, and that in this Estimate they are higher than they were in last year's Estimate.

I want to point out to the House, however, and to reiterate, that the grants paid by the government to the school boards of this province are falling far short of what is urgently required by the school boards if they are to be able to maintain a level tax rate for school purposes. The grants from the government to the school boards are rising year after year, but the **expenditures** involved in education on a municipal level are rising more rapidly than the government grants.

It is a true situation that, in the province today, those who pay educational taxes on a municipal level are finding their taxes going up year after year. They are reaching a point in this province where, in my judgment—and I think perhaps in the judgment of many other hon. members—the time has come to call a halt to the necessity for increased expenditure on the part of the municipal taxpayers. There is only one reasonable way in which that can be done. That is by increasing grants from the government to the municipal boards for school purposes.

Mr. Chairman, I do not want to "thresh old straw" this afternoon, but actually the government is well aware it is a long way from meeting what it had promised the House, in respect of educational grants, which was to meet 50 per cent. of the cost of education as levied against real estate. In the province today we are meeting something like a little over 30 per cent. of the cost of education.

HON. MR. FROST: Nearly 43 or 44 per cent.

MR. OLIVER: Mr. Chairman, that is not a correct figure and I am willing to debate that with the hon. Prime Minister just as soon as I get the figures. The figures were given in this House and they were not disputed. It is correct to say that certainly not more than 35 per cent. of the ordinary costs of education are being presently borne by the government of this province.

It is not enough for the hon. Prime Minister or the hon. Minister of Education to say that we are paying more this year than last year. That is being done for almost every service. It is natural this course be pursued, because our economy is growing and as it grows, the costs involved in that growth become greater year after year. The revenues which accrue from that growth are substantially increased year after year and, consequently, it is to be expected the government, which is in receipt of this improvement in revenue, would spend some of that revenue towards taking care of those services in the local municipalities of this province.

Mr. Chairman, I want to state as definitely as I can that we cannot go on any longer asking the local taxpayers to pay the present share of municipal taxes for educational purposes. It just cannot be done any longer. This government has been derelict in its duty—or what should have been its accepted duty—to the municipalities in respect to school taxes and school grants. The government has fallen short of what the people have had a right to expect from it in the way of school grants.

I call upon the government, Mr. Chairman, even at this late day, to reassess its position in relation to these grants and to recognize, once and for all, that the local payers of taxes for education have borne the load as long as they can, and that they must be given additional and substantial relief, if education is not to go through the throes which the hon. member for York South pictured to us a little while ago.

Mr. Chairman, I want to touch on another point for a moment or so, which relates to the grants the government gives towards the construction of new schools. I want to make two points in connection with that. The first is one of which I would like the hon. Prime Minister to take cognizance, and upon which I would like to hear what he has to say in rebuttal of this argument. I have felt for a number of years that the cost of constructing a school in a municipality is too high. It is a cost which has grown year after year until, at the moment, it requires quite a substantial investment to build a new school. Now the government comes in and says it will pay a proportion of the construction costs—and properly so. The government does not say what amount of the construction costs it will pay or whether it will even continue to pay school debentures during the life of the debentures. It says it will pay the first installment. There is no written declaration on the part of the government that it will continue to pay a red cent in the succeeding years.

I know the argument against that. The argument is that the government may take the notion to pay more in the second and third years of the life of the debenture, than it paid in the first year. It may take the notion to pay more, but it has not happened very often.

Mr. Chairman, I would say to the government this afternoon that one way in which the municipal taxpayer could be relieved, not only of a portion of the financial burden involved in school construction but of the annoyance, the trouble and the inconvenience in respect to the issuing of debentures would be by the government, at the time the construction work is finished and the school is completed, paying to the local school board the total amount that it intended to pay over the life of that debenture. The government should pay it, in my judgment, at the time the construction is completed.

That would have this salutary effect: it would enable the municipality to float a debenture for much less money than

they would ordinarily have to do under the present setup. It would also give the Ontario government the opportunity to help the municipality secure the lowest possible interest rate. There is no doubt that the province has within its jurisdiction and competence the power to get the lowest interest rate on these payments from the provincial treasury.

Mr. Chairman, I suggest to the House that this would be one way in which local school boards should be relieved financially and that they would have a much easier time in selling their debentures, and the amount of the debenture would be much less than it would be if we carried it on as at present.

Mr. Chairman, the other matter which enters into the cost of construction has to do with what is commonly called "frills." The hon. Minister of Education has taken a very definite stand, over the years, against the so-called frills. He says in effect:

I am for a basic education; anything over, above and beyond that basic education will not be shareable so far as the grants from the provincial government are concerned.

That situation has gone on until today I believe we should take a "new look" at this whole picture of what are commonly called "frills."

I suppose the House is aware that, at the present time, the government will not give a grant for an auditorium, a gymnasium, a domestic science room, a room for manual training, a room for teachers, a room for nurses or a room for the principal of the school.

I believe I am correct in saying that when a school board is required to buy a certain acreage of land on which to build a school, the cost of that land is also not shareable. I doubt very much if the government pays anything towards the cost of the site. Therefore, in addition to what I have read, we have the site on which the school is built. The government says that all these things are "frills", and items which are not shareable insofar as the provincial grant is concerned.

When a school board builds a school, including these rooms, the costs are not shareable. I ask the hon. Prime Minister how many schools are we building now which do not include these rooms? I say that by far the greater number of schools being built at present include the rooms I have mentioned, and they are regarded as an integral part of our school building system in this province. The government says it is not going to share the cost of these different rooms—the gymnasium, the auditorium and so on.

The school board then is in this position: they want to build a school for \$500,000. They have to buy the site on which the school is to be built. I do not know what the cost of the site would be, but whatever the cost, the provincial government says it is not a shareable item and that the school board will not receive a single cent in the form of a grant from the provincial government for the cost of the site.

Then the school board wants to include an auditorium, a gymnasium, a domestic science room, a manual training room, a teachers' room, a nurses' room and a principal's room. All these are included in the present-day buildings for school accommodation in this province, yet the government of the province says it will not contribute and will not share in the cost by way of grant for any of these items.

Mr. Chairman, I suggest to you, and through you to the government, that that places the school boards at a terrific disadvantage. Why should we not be realists in regard to this situation? Why not accept what has become the inevitable in regard to school construction? Why not give the school boards of Ontario a share of the provincial grants on all these things which are regarded as essential in present-day school buildings? I think it is going back a long way if one suggests that because it has an auditorium or a gymnasium, it should not receive any grant for those things from the provincial government.

That is shortsighted, in the first place, and it is a way, I suggest, of the gov-

ernment getting out of its proper responsibility in regard to payments for school buildings in the province of Ontario.

Mr. Chairman, those are points which I want to leave with the hon. Minister. I feel, and I think he feels, that not only are they deserving of serious consideration, but the fact that they have not been improved is a factor in increasing the tax load on the municipal taxpayers for school purposes.

I would like to hear the hon. Minister speak at some length, if he will, on what his opinion is as to teacher shortage or the lack of it in this province.

The hon. Minister over the last few years on several occasions told the House that we need not worry. All was in hand and all was well, and that the problem of the lack of school teachers was being solved, and there was no need to worry.

In order to have it before the House, I want to read from a couple of clippings which I have, which would seem to indicate that all is not as well as the hon. Minister would have us believe with respect to the availability of school teachers in this province.

This article is from the *Globe and Mail* of December 13, 1955, and the heading is:

1,002 PERMIT TEACHERS CLAIMED NOT QUALIFIED

The chairman of a committee of 6 Ontario teachers studying the supply and demand of high school instructors said today several "startling conclusions have been reached which prove the appalling teacher shortage is now with us."

That was only last December, "several startling conclusions have been reached, which prove the appalling teacher shortage is now with us." That was at a time when the hon. Minister claimed he had conquered the problem, and had met the situation completely. This group who have studied the problem say that the appalling teacher shortage was with us as late as last December.

I want to read another citation which seems to me is as important, that is:

The committee has found there were 402 graduates in honour classes in 1954 who could qualify to enter the Ontario College of Education for a type A, or specialist certificate.

But only 160 did in fact enter OCE. Last March there were 296 different teaching positions advertised for specialist teachers in one Toronto newspaper.

If the present ratio of 30.1 pupils to one teacher is maintained, then 3,295 more teachers will be needed.

I suggest to the House that conclusions such as I have read have a tendency to startle one, in the face of the complacency of the hon. Minister in regard to this problem of teacher shortage.

I want to read one more item from the *Telegram* of December, 1955, which says:

Public apathy to a steadily increasing shortage of high school teachers was scored yesterday by retiring president of the Ontario Secondary School Teachers' Federation, D. L. Tough, of Forest Hill.

Warning that the shortage was worse than was predicted, Mr. Tough said roughly 6,000 new teachers will have to be found in 1956.

Addressing the OSSTF annual assembly he said: "People are not sufficiently realistic in worrying about the future."

He goes on to tell 200 delegates that only 5 science specialists were attending the Ontario College of Education, yet 12 science teachers retire every year, and he predicted a shortage of 50 per cent. of science teachers by 1966.

In regard to that problem the hon. Minister, I suggest, owes it to the House to be completely frank with respect to it. There is no use in him painting a rosy picture, which is not borne out by the facts, but it is his obligation, as hon. Minister of Education, I suggest, to be quite frank with the

House, and tell us what the situation is in respect to teachers and their availability for positions in this province.

HON. L. M. FROST (Prime Minister): Mr. Chairman, I have been very interested in what has been said by the hon. member for York South and by the hon. leader of the Opposition concerning education and I have been equally interested in what the hon. Minister of Education has said in relation to this great problem.

May I remind the hon. member for York South of my reference to "education being our greatest problem in Ontario, perhaps the greatest single problem in Canada." That remark was not directed only to the financial side of the picture, which is great enough, but to the fact that if we are going to keep up our present development and prepare for developments in the years ahead, we are going to have to increase our supply of technically trained people. There is, of course, a danger in regard to too much emphasis on technically trained people. They must be people who in addition to their specialty are trained to meet the requirements and the challenges and the dangers of the days in which we live. I think we are agreed on that point.

I was very much interested in what the hon. member for York South said. I have not heard that statement before, and whether it was his own or partially his own, nevertheless, it was very interesting in many ways. There are important points in what he said.

Also the picture is by no means as bad, nor as gloomy, as the hon. member for York South indicated. As a matter of fact, here in Ontario, we have over the years—and I am not talking about the days of this government particularly—done a remarkable job in Ontario. Speaking of the picture on the continent we are well up in leadership, when you compare our position in Ontario and the other provinces to that of some of the states in the United States. In comparison with their building programmes, and their facilities for taking care of such problems as we face—perhaps in

some cases not to the same degree — we are in a very favourable position.

I think it is correct to say in 1956, we have enough schools with enough rooms, teachers and desks to take care of the tide of pupils. That is not the case in many jurisdictions in America. The President of the United States has drawn attention to that very great problem in some of his directives or messages to Congress. Their situation is very serious and in this province we have done, I think, from all accounts, a very remarkable job indeed.

I would not say that the situation is not difficult. I again say that in the coming 10 to 20 years, it is going to be our greatest problem, and I say to the hon. members of the House there are going to be things we would like to do in this province which we are simply not going to be able to do, because of the pressing nature of the problem of education. The very first priority in the province, if we are to continue to develop and do the job, is in regard to education, and that will apply over hospital insurance and everything else. Other things will all have to take their places in order, having regard to the problem being the No. 1 problem.

MR. MacDONALD: Highways, too?

HON. MR. FROST: I would say, highways, too. As a matter of fact, in some places we are holding back in connection with highway construction in order to meet this problem.

MR. MacDONALD: This government has trebled its highway Budget, and increased its education Budget by only 50 per cent.

HON. MR. FROST: Trebled our highway Budget, but look what happened in education when the hon. members who are sitting next door to you were in power just 13 years ago. Look at the miserable pittance they gave to the schools of this province. I was interested in the hon. leader of the Opposition skating around that one.

Eight million dollars was given to the school boards for grants in Ontario

then, but in this more enlightened age of 1956, \$84 million has been given.

May I point out to the hon. member that while the revenues have increased 4 times, the grants to education have increased $10\frac{1}{2}$ times.

MR. R. WHICHER (Bruce): That much more was taken out of the taxpayers' pockets.

HON. MR. FROST: Not percentagewise, but of course you have to get the money some place. Some of the hon. members opposite think money grows on Christmas trees. You get all the money you spend by taxation.

If the hon. member will consider the grants for education to the county of Bruce, he will find they will be very considerably in excess of 50 per cent. We will get the figures and check them over some of these days, and have a look.

The hon. member says we should say to the school boards we would give them a fixed sum towards the debentures they have incurred in the building of new schools. The specialist in cutting grants was the government of which the hon. leader of the Opposition was a member.

MR. MacDONALD: Let us forget them.

HON. MR. FROST: From 1935 to 1943, I do not think there was any case where they increased grants. It was always a question of cutting them down.

MR. OLIVER: That was the first thing the Henry government was to do before 1934.

HON. MR. FROST: He is not here now, but we are, and the grants have increased $10\frac{1}{2}$ times since we have been in office.

In connection with these capital grants to school boards, our policy has been one of increasing them, and I want to refer to a few instances. As long as the people keep this government in power they are going to be safe in that regard.

MR. WHICHER: Could I ask the hon. Prime Minister a question, Mr. Chairman?

HON. MR. FROST: Yes.

MR. WHICHER: In all sincerity, there is no political motive in this at all—

HON. MR. FROST: I understand that.

MR. WHICHER: When the hon. leader of the Opposition brought up the question of paying the percentage of the debenture at the start, there was no motive there at all. It seems to me it would be good business if the province could afford to pay whatever percentage of the debenture they are going to pay, in the first instance, because it saves the municipality issuing the 100 per cent. debenture. If there is a reason why that cannot be done, there must be a good reason, and I would be very interested in knowing what it is.

I impress upon you, Mr. Chairman, I am not thinking about increasing or decreasing grants. The point is, if a certain school section gets 35 per cent. capital grant, we will assume it is over a 20-year period. Why could we not pay the entire amount at the start?

HON. MR. FROST: There are some financial implications to that, of course, but in our grant we subsidize both principal and interest. The practice has been to increase our grants as years go along. That was a policy we instituted, and I have no doubt in the coming years, they will be further increased from time to time.

MR. OLIVER: Is the hon. Prime Minister saying once a debenture has been issued the annual payments are increased over the years?

HON. MR. FROST: That is part of our grant system. We have increased grants from time to time and I imagine we will continue to do so.

In the borrowing of money we made it possible, for instance, last year

through the Ontario Municipal Improvement Corporation for money to be advanced to school boards. There have been quite a large number of them in the past year, which have availed themselves of that type of financing which provides the means to secure the capital expansion they need. That is going to be an increasing problem in the province.

In connection with the comments of the hon. member about the percentage of costs, may I point out that the pledge was given in 1943 as one of the 22 points. That was carried out completely and entirely.

MR. OLIVER: This is going to be good.

HON. MR. FROST: I was Provincial Treasurer at that time.

MR. MacDONALD: Will the hon. Prime Minister permit a question?

HON. MR. FROST: Yes.

MR. MacDONALD: On page 38 of the current hon. Minister's report there is a table, "Financial Summary of Ontario Schools, 1954." The hon. Minister can take a look at it, and pass it on to the hon. Prime Minister.

On the first line of this table is a reference to "Revenue Receipt", and the first item is "Provincial Grants and Other Payments for Secondary and Elementary Schools." The total figure is \$67 million. After having listed all the other moneys which come in, they come to a total for elementary and secondary schools of \$205 million. If you take out your pencil and calculate, \$205 million as the average expenditure and \$67 million coming from grants, it is 33 per cent. Where are we wrong in our calculation?

HON. MR. FROST: The hon. member is comparing sheep and cows.

MR. MacDONALD: How?

HON. MR. FROST: I will point it out to the hon. member in a moment. The promise was given, in 1943, to

pay 50 per cent. of the cost of education which was then charged against real estate. In 1945, when I was Treasurer, that was done. We paid 50 per cent.

MR. MacDONALD: No, sir.

HON. MR. FROST: That is so.

MR. MacDONALD: Never — 50 per cent. of the over-all cost of education — never.

MR. A. J. REAUME (Essex North): In the case of Windsor, I remember quite clearly, in 1943, the Party of the hon. Prime Minister was taking pictures of houses. He will remember the pictures of the houses which were published in the *Star*. Hon. Mr. Drew said:

After our Party is in power, you will only be paying half as much of the taxes on those houses, as you are paying now.

That never once has been so.

MR. MacDONALD: And in the by-election which brought us the hon. member for Nipissing, you said again you were meeting "50 per cent. of the over-all cost of education."

HON. MR. FROST: Perhaps the hon. member for Essex North is right, because he was a "Tory" candidate that year.

MR. REAUME: That is right. I have copies of the papers and pictures of the houses. When I come back in a week or so I will bring them with me, and it may clear it up, because not once have you paid half the costs.

HON. MR. FROST: I will tell the hon. member the people of Ontario know what we have been doing.

MR. MacDONALD: And they voted for you.

HON. MR. FROST: They have voted for us, yes.

MR. MacDONALD: Here we go again.

HON. MR. FROST: The hon. member for Essex North has mentioned this, and I would like to point out to him that in 3 out of 4 of the seats in his city, the electors felt the government had fulfilled its promises, and they returned supporters of the government.

May I point out to the hon. member for York South that in this great area of Toronto and York, out of 18 members, I believe he is the only one who is not a government supporter.

MR. MacDONALD: There was one who was removed, in spite of the hon. Prime Minister, the "super mayor," and everybody else, coming in during the final week of the election.

HON. MR. DUNBAR: The hon. member will be here for just a short time.

HON. MR. FROST: What I am going to tell the hon. member is one of the reasons why this has been the case. May I point out to the hon. leader of the Opposition that, in 1945, as Treasurer, I brought in the Budget and made that promise, and we have carried it out completely. I would point out to the hon. member for Essex North that is quite true.

MR. MacDONALD: Forty-two per cent. in 1945.

MR. WARDROPE: Listen and become educated.

HON. MR. FROST: It is perfectly true that the percentage paid for education varies in accordance with the industrial potentialities of the community. It is perfectly true that in Toronto the percentage is very much less than it is in the city of Windsor or London. In London it is very much less than in the poorer communities of the province. In about 10 per cent. of the school sections of Ontario, the government is paying 95 per cent. of the cost of education.

MR. MacDONALD: Twelve per cent. in Toronto.

HON. MR. FROST: On the other hand, there is the industrial variable there which has its effects. I want to refer to that in a moment, because it is a matter in which I am very greatly interested.

In many of our fine communities of the province, the percentage is very much above 50 per cent. The other day I was dealing with a case in relation to the community in which I live, a town of 11,000 with a large rural area surrounding it. It would interest the House to know that in that high school area the contribution of the government is 75 per cent. If you followed out what some of the hon. members here advocate, that 75 per cent. and that 95 per cent. would each become 50 per cent. You can imagine the inequalities that would create.

MR. MacDONALD: Never 50 per cent. in the average, as you promised.

MR. OLIVER: We never advocated that. The hon. Prime Minister is drawing on his imagination now.

HON. MR. FROST: The hon. leader of the Opposition has been drawing so heavily on his imagination over the past several months, I think he has very little left.

THE CHAIRMAN: One at a time, please.

HON. MR. FROST: May I say to the hon. members that the comparison which the hon. member for York South makes is in connection with approved costs. It is perfectly correct to say—the figures he has there I have no doubt are perfectly correct—but remember the costs which we have are approved costs. As I told the mayors and reeves the other day, there is little to be gained in coming to us and asking for grants in connection with a number of things they would like to have, and then complain about their taxes.

As a matter of fact, the grants are designed to meet the fundamentals and the essentials. To meet the problem in the next 10 years, when we are going

to have 750,000 pupils added to the 700,000 already in this province, today and for some time we have to deal with the essentials of education, and the other things will have to be set aside. The hon. members opposite have commented that certain things, which are desirable enough, should be included in school construction programmes, such as auditoriums and things of that sort, and in some cases, swimming pools. They are desirable and pleasant to have in communities, but remember when the government includes them in grants they result in municipal councils and school boards being pushed into making those expenditures.

That was an argument often advanced in federal-provincial conferences by my good friend, the hon. Premier of Nova Scotia (Angus MacDonald), who spoke about "appetite-whetting grants", and I say that is a very great truth. If the federal or provincial governments do these things, they encourage the spending of moneys which increase taxes.

The true figures are these: at the present time, the government is subsidizing education to the extent of about 42 per cent.

MR. MacDONALD: Of what?

HON. MR. FROST: Of the approved cost, as I have explained. There is no use including in the cost of education—

MR. MacDONALD: The approved cost does not even include the grounds the schools are built upon.

HON. MR. FROST: I had the privilege last week of opening a school in Lindsay, which the people were kind enough to name after me. At the time I went to the school opening, a member of the school board said to me that, in his opinion, they had lived entirely within the grant. It is a very fine building. As a matter of fact, I think every cent they spent was subsidized. Someone said to me that this was the cheapest school built in Ontario. Then there was some apology for the use of the word, and I said to them I was glad to have a

school associated with me, and my name, which gave every evidence of economy and utility.

I know of a school in the riding of one of the hon. Ministers, not very far away from here, in connection with which the expenditures were something in the neighbourhood of \$1 million, and I think the amount subsidized, upon which the grants are based, was only about \$50,000. It is within the authority of a school board to do that, but when taxes rise, there is no use complaining about it.

I say to the hon. member for York South that he is adding in all these various extra things which people want, which all add to the cost of education, and then he applies a percentage to the amount.

MR. MacDONALD: That is correct.

HON. MR. FROST: I would say the hon. member is wrong to do that.

On this matter of education, Mr. Chairman, may I stress the fact that it is a tremendous problem now. The grants this year in the items in the Estimates have very greatly increased, as will be indicated when we come to them. For instance, last year, on item No. 414, the amount was \$71 million; this year, it is over \$84 million. Next year, there will be a further increase.

Very shortly, the school grants in this province are going to exceed the total amount of the Budget of this province a dozen or so years ago. In my opinion, Mr. Chairman, I think in 10 years from now the grants will be possibly more than double what they are today, and, at the present time, they amount to \$84 million.

That brings us down to the view we have to take of this problem with which we are confronted, which I think is the greatest problem confronting the people of Ontario today. I emphasize, particularly to the hon. members opposite, that we have to have, and should have, a realistic proportion of the taxes from our own fields of progressive taxation. That is where much of the difficulty lies.

I was interested today in reading an editorial appearing in the *Toronto Telegram* stating that I had said—and possibly I went further than that—that there was every indication of double taxation in the corporation tax field. I would say to the hon. members of this House that this is one of the bitter experiences we are going to have in this province, because the federal government is not taking a realistic view of the costs of doing business in a great producing province like Ontario.

I was also interested, a day or two ago, to read an editorial in the *Toronto Star* which referred to this same matter, and said that before resorting to double taxation on corporations, perhaps we should consider a sales tax. That was in a *Star* editorial of a day or two ago.

MR. MACAULAY: It did not say "perhaps"; it advocated that.

HON. MR. FROST: I think the hon. member for Riverdale is right. They did advocate that. I think it is appalling that we should consider in this province supporting a problem which comes from the production and development of our own province, not by progressive taxation, but by regressive taxation.

MR. MacDONALD: I agree with the hon. Prime Minister on that.

HON. MR. FROST: I am glad the hon. member for York South supports me on that proposition.

MR. OLIVER: It may not be right.

HON. MR. FROST: Now, if I could only get the hon. members in the Liberal group to support that point of view, we might gain ground at Ottawa.

May I say to the hon. members of this House that last Friday, in Ottawa, quite frankly I said we required in this province \$100 million more money. That sounds like a great deal of money, but having regard to the figures with which we must deal these days, it is

not a large sum. I think the hon. members of this House can easily imagine what we can do for education and for the municipal taxpayers with an additional \$100 million in money which comes from our own fields. These are in the field of direct taxation which was given to us in the pact of Confederation, and are ours, but from which we have been elbowed by the requirements of war, and which, in these days, to win the battle of peace, should come back to us, at least in a substantial measure.

I ask the hon. members of this House what we could do in Ontario for production in the city of Welland, in the city of Kitchener, the city of Windsor, the city of Owen Sound, the town of Lindsay, and the city of Toronto, if we could spread amongst our municipalities and school boards an extra \$100 million. It would return itself many-fold to the federal government, which draws taxes from excise and sales because there is a sales tax of 10 per cent. on retail business, and I believe the federal government will always have the largest share of corporation and personal income taxes.

But I say to the hon. members of this House there should be a realistic view taken of this matter. I would say to the evening papers, first to the *Star*, which advocated a sales tax to make up this deficiency, that it should support us in asking from the federal government a share of the taxes which would be commensurate with the job we have to do in this province, and which faces us right in this House today in the Estimates we are considering at the present time.

If they would give us—I should not say “give” us, because we are not asking them for anything, we are just asking them to move over a little and return to this province something to which it is entitled—then I can assure the hon. member for Essex North (Mr. Reaume) that we would see that the city of Windsor got a square deal.

MR. REAUME: It is pretty nearly time.

HON. MR. FROST: The school boards need money, the school boards of Windsor and of Toronto, and throughout the province generally, could do with a share of the \$100 million, which is a small amount, compared with the great productivity of this province.

MR. OLIVER: If you got \$200 million, you could spread twice as much around.

HON. MR. FROST: That is right, but I always deal with realistic figures. We go to Ottawa and put up this battle for our people. It is our job to stand up and speak for the people of Ontario.

MR. WHICHER: We are Canadians, too.

HON. MR. FROST: That is right, but I assure you, Mr. Chairman, that hon. members opposite go out into the highways and byways, and talk about the municipal taxpayers and the school taxpayers being oppressed, then when we go down to fight for the people of Ontario to get a fair share for them, these same members run around the province and say we should not ask for this money from Ottawa, because Ottawa has great problems. If there is any combination which has helped to support the archaic views which exist in connection with this problem, it is those gentlemen who sit opposite in the Liberal group who, I say, fight more for the interests of the Liberal government at Ottawa, than they do for the taxpayers of this province. I do not include all of them in my condemnation.

MR. WHICHER: We want to be included.

MR. NIXON: When did \$220 million become “archaic”?

HON. MR. FROST: Mr. Chairman, I will tell the hon. member for Brant when \$220 million became archaic. It became archaic when it did not bear any relationship to the problems which arise in a province which earns half of the money the federal government receives. That is when it became archaic.

HON. MR. DUNBAR: Is that clear now to the hon. member for Bruce (Mr. Whicher)?

MR. NIXON: I think they are pretty generous with the hon. Prime Minister.

HON. MR. FROST: The hon. member for Brant says that is pretty generous. I ask him to go out and tell that to some of the taxpayers in his own community, when they produce their municipal tax bills around the fine city of Brantford. When they look at their school tax bills, let the hon. member say to them, "Now I told the government at Toronto that the Ottawa people were pretty generous. Take those bills home and pay them and be pleased and satisfied with them."

May I say to the hon. member for Waterloo North (Mr. Wintermeyer), who is protesting against the strictures I have imposed upon the Liberal group, I thought his speech the other day was a very sensible one, with a very sensible approach, and I used it to indicate to the Rt. hon. Prime Minister of Canada that our people were complaining.

I also pointed out that the hon. member for York South had suggested I go down there and be "tough." I told him that usually I am a very reasonable fellow, and that I went down there in a very reasonable frame of mind, with what I thought was a great proposition for the people of this province.

MR. OLIVER: And even with that help, the hon. Prime Minister could not do a thing? Is that it?

HON. MR. FROST: That is right. The hon. leader of the Opposition has so often excused the unfair division of taxation that they think perhaps that is the view of the people of Ontario generally, but I can assure him that is not the view of the people of Ontario, for they expect people to go to Ottawa and stand up and fight for them. That will come about, too.

MR. NIXON: The hon. Prime Minister is talking for the next election right now.

HON. MR. FROST: We just got through one election; does the hon. member want another one?

MR. NIXON: I am talking about the federal election that is coming next year, that is what the hon. Prime Minister is talking about.

HON. MR. FROST: Mr. Chairman, I am not concerned with federal politics; I just deal in provincial affairs. It is my job to represent the people of Ontario, and I intend to do so.

MR. OLIVER: Do not get into this one either.

HON. MR. FROST: Mr. Chairman, I trust the things I have said place this problem in better perspective. I assert again that we have done a great job for education, compared with the Budgets of a dozen years ago, when hon. members opposite were in power.

MR. WHICHER: Here we go again.

HON. MR. FROST: That Budget totalled about \$100 million, 8 per cent. of which went into school grants. Today, with a Budget of over \$400 million, 28 per cent. goes into school grants. Our revenues have increased 4 times, and our school grants 10½ times. I hold out to hon. members of this House, Mr. Chairman, that we have done better this year for education again, and we intend to follow that policy. We do not intend, in any way, to retreat from the fact that education is Ontario's greatest problem.

HON. W. J. DUNLOP (Minister of Education): Mr. Chairman, the hon. leader of the Opposition asked for some information which I am very pleased indeed to give him. I do not care for his word "complacency" very much. There is no "complacency" in The Department of Education. Perhaps his definition of that word is a little different from mine. However, he will remember the time when he and I opened the new Flesher-ton High School, and the 7 reeves were there, and nobody mentioned the grants given by The Department of Education

for that school, and we finally discovered that they amounted to 75 per cent. And we expect to go on paying 75 per cent. of principal and interest.

HON. MR. DUNBAR: In the riding of the hon. leader of the Opposition?

HON. MR. DUNLOP: Oh, yes.

MR. OLIVER: Resign, Mr. Provincial Secretary.

MR. MacDONALD: Such a look of consternation I have never seen before.

HON. MR. DUNLOP: However, the hon. leader of the Opposition asked me specifically for certain information. May I ask if the news item read by the hon. leader of the Opposition said that there were 1,000 unqualified teachers in Ontario?

MR. OLIVER: One thousand was the number, as I recall it.

HON. MR. DUNLOP: It is not correct at all. Of course it is not 1,000. It is nothing like that number. In both elementary and secondary schools, it is not 600. They are counting in there 418 high school teachers who are graduates of the university, and I am sure the hon. leader of the Opposition will agree that a graduate of one of our universities in Ontario, with a 10-week intensive training course in teaching, is not an "unqualified teacher." It is simply ridiculous to say that. Of course, they have qualifications. Can anyone say that a graduate with 10 weeks' intensive training does not know how to teach? In addition, they are counting elementary teachers who are not quite finished, but are also well qualified for what they are doing.

Here is the information, Mr. Chairman. Four years ago, we commenced a special emergency course in order to provide more elementary school teachers. The hon. leader of the Opposition realizes, I know, there has not been a school in Ontario closed for lack of teachers — not one. There is not a classroom in a high school closed for lack of a teacher. They are all in operation.

MR. MacDONALD: May I ask if that is true of public schools, too?

HON. MR. DUNLOP: Yes, it is also true of public schools. As I say, we commenced this emergency plan 3 years ago and said, "We will take young people who have at least Grade XII standing" — that is, 4 years in high schools — "We will give them a 6 weeks' summer course, and let them teach for a year." We will bring them back for a summer course of another 6 weeks, let them teach for another year, and then require them to take a year in a teachers' college.

We received 300 applicants at that time, and a good many of them had much more than the admission requirements. They went ahead and are doing well today. The next year it increased to 500, and we did the same thing. We had 700 the next year, and I believe 1,100 last year, so the scheme has been improving each year for 4 years.

The inspectors have told me these young teachers are doing well. The principals of the teachers' colleges tell me they are among their best students, and the whole thing has been a complete success. We have to go on and do that for a few years more, but we have, as I remarked earlier today, 3,159 studying in our teachers' colleges, constituting a real supply for the future.

Then came the much-criticized emergency course for high school teachers, which was arranged in this way — and let hon. members remember, before I give the details, that university professors teach without any training at all. Teachers in independent schools teach without any training at all. I am not lauding that in any way, but it is the fact. A great many teachers — not all of them — in independent schools have received no training. The arrangement was that a graduate of a university, or one about to graduate in June of last year, could be signed up by a school board, to teach for the year in which we are now. He is a graduate, surely with a good education. He could not avoid it. He has signed up with the school board to teach for a year. He

passes the medical board, we provide for him a 10-week summer course, and allow him to teach for a year. We bring him back for a 5-weeks' course, and then he gets his type "B" certificate.

Last summer, we had 418 taking that course. Six of them did not quite make it, but the remaining 412 are out in the schools today. The principals tell me they are doing well. There was a great deal of criticism regarding that course, but that is where politics came in, which I do not understand very much. The chief critic of that course sent his son to it, and then engaged 6 teachers from that same course.

We will have to go on doing that for a few years, but there is no "complacency," may I assure the hon. leader of the Opposition—no "complacency." We are working all the time, we are meeting the problem, and will continue to meet it, and as the hon. Prime Minister has said, we are away ahead of almost any province or state in meeting the problem of providing the teachers which are needed. And no school, Mr. Chairman, has been closed for lack of teachers.

Votes 401 to 411, inclusive, agreed to.

On vote 412:

MR. R. GISBORN (Wentworth East): Mr. Chairman, may I have just a moment on 412 regarding the School for the Deaf? I would like to ask the hon. Minister what qualifications are required of applicants in order to be accepted at the school at Belleville? And is there a large backlog of applicants waiting to get into that particular school?

HON. MR. DUNLOP: If they are 5½ years old, or over, Mr. Chairman. None has been rejected. There is no backlog.

MR. GISBORN: There is no backlog of applications for admittance to the Belleville school? I just wanted a remark on that, because I have a personal friend with a son there.

HON. MR. DUNLOP: If there are any who have not been accepted, they are mentally-retarded children, who are otherwise provided for.

MR. GISBORN: The friend I mention has been interested in education for deaf children, and he and I have discussed it. However, I notice in the past year, there has been an organization started in Hamilton by a group of people interested in deaf children and deaf adults. They are setting up an organization to assist them in any way they can, and this school at Belleville, being the only one in Ontario, I wondered if there is not a need for one in the southwestern part of the province.

I believe, too, there is a public school in the city of Hamilton called the Gibson Avenue School, which is being used for the education of deaf children. I believe the city of Hamilton pays wholly the cost of that school, and it represents quite a burden on them. I wanted, at this time, to comment on that particular school in Hamilton.

HON. MR. DUNLOP: Would they be children who are hard of hearing but not deaf children?

MR. GIBSON: I suppose it would have to be. I know of two particular cases where they were 80 per cent. deaf and were attending there, but had to leave when they finally had their applications accepted to go to Belleville.

HON. MR. DUNLOP: Those classes receive grants, by the way.

Vote 412 agreed to.

On vote 413:

MR. R. WHICHER (Bruce): Mr. Chairman, I believe the hon. Minister stated that about 7 out of every 100 children go to university, and in vote 413, I notice that the total amount of scholarships and bursaries is only \$435,000. I suppose the hon. Prime Minister will tell us that in the good old days there would probably be only \$50,000, but it seems to me that is a

very small amount. I am wondering if the hon. Minister would like to say that if they had financial encouragement to attend these places of higher learning, some financial encouragement, perhaps it would increase that figure.

HON. MR. DUNLOP: I would inform the hon. member for Bruce that a year ago I went to Ottawa with the senior officials at the suggestion of the hon. Prime Minister, to ask whether we might have some more money for that particular purpose. \$220,000 is provided by this government, and \$100,000 is provided by the federal government, a total of \$320,000. We went to Ottawa to ask if they would not let us have another \$100,000; we received a good reception but that was all. When we came back and reported to the hon. Prime Minister, who at that time was Provincial Treasurer, he said, "Let us add \$100,000 ourselves," so that brought it up to \$420,000. If the Dominion would "come across", we would have a good deal more.

MR. WHICHER: I would remind the hon. Minister that the province of Quebec is giving \$1 million.

MR. MacDONALD: Mr. Chairman, I would like to add a few comments. This "buck-passing", between the two old Parties—

MR. OLIVER: The hon. member is the one who invented it.

MR. MacDONALD: I would draw to the attention of the hon. members to my right, who suddenly have risen up in righteous wrath, that 5 years ago the Massey Commission recommended a proposition to which no one was opposed—a national system of scholarships, and that has sat untouched for 5 years. The latest excuse we hear from Rt. hon. Mr. St. Laurent is that he cannot find the people to administer the plan. He says he is very interested, but cannot find the people to administer it.

That is ridiculous. I think both at the federal level and here too—I am not absolving this government—there

obviously has to be a great deal more done to get more of our students into universities. I think the figure is correct that today, in Canada, approximately 10 per cent. are receiving assistance for higher education; in the United States, it is about 30 per cent.; in Great Britain, 72 per cent. of students in universities are getting some sort of assistance from grants. We are miles behind, a generation or so, in this proposition of taking the financial barriers down as far as providing an opportunity for higher education is concerned.

There is one point about which I would like to ask the hon. Minister, and conceivably this is over-lapping between fiscal years and calendar years, but I was under the impression that when the hon. Minister announced early in this session, an increase in the contribution to the Dominion-provincial bursaries from the \$320,000 level to the \$420,000 level, that this was a new step—something was being announced to be implemented in the future. I discover in the payments for the bursaries for this year which are described as the 1955-56 year, that these figures are included. Am I to conclude that the announcement was, in fact, a retroactive announcement and has been in effect for this academic year?

HON. MR. DUNLOP: It was in last year's Estimates.

MR. MacDONALD: It says here that, under this programme, bursaries to a total value of approximately \$420,000 may be awarded to applicants who meet the conditions of the award, that the contribution of the Dominion government will be approximately \$100,000. Those are the figures I think the hon. Minister gave when he made the announcement a month ago. This is for 1955-56. Has what the hon. Minister announced a month ago been in effect since last September, at the beginning of the academic year?

HON. MR. DUNLOP: Yes.

MR. MacDONALD: Well, it was a retroactive announcement, then?

HON. MR. DUNLOP: I do not see that.

MR. MacDONALD: We are learning of something now which has been in effect since last September.

MR. H. C. NIXON (Brant): These bursaries, of course, are a straight payment to the student?

HON. MR. DUNLOP: Through the university, yes.

MR. NIXON: And he is not required to pay any part of it back? The hon. Prime Minister said—and I have no doubt—that a few years ago there were not any bursaries, and my recollection is he is quite right. I certainly remember when I went to the Ontario Agricultural College, I borrowed money from the Massey fund to put me through my last year, and I was expected to pay it back which I did. Many of these students, after a course of 3 years in engineering or some other specialty—even teaching—will be getting very large salaries, large anyway to what I used to consider was an ample salary, and what is wrong with the suggestion that we have a revolving fund available to them, in addition to these bursaries, so that students, if they are not eligible for a bursary, may call upon the fund for assistance, during their years in university?

If, as and when they are able—and many of them will be undoubtedly a few years after they graduate—they should pay the money back, and the money would then be available to help some other student in the future, who may not be eligible for a bursary, or in cases where there are not enough bursaries to go around.

MR. MacDONALD: They have that in Saskatchewan.

HON. MR. DUNLOP: Mr. Chairman, I would say to the hon. member for Brant that the universities have loan funds. When I was there, I administered one or two of them, and they are fairly substantial, but they are administered by the universities them-

selves. In regard to the bursaries: we have been handling 1,620 of them in the current year, so I think we are providing all around.

Vote 413 agreed to.

On vote 414:

MR. WHICHER: While the hon. Prime Minister was speaking, he said these legislative grants, as all of us know, are based on the industrial potentials in any given community, and I think anyone, to be fair, will agree that is the proper system. It has been going on for many, many years. However, last year I believe it started where there was a special grant of \$4 per pupil right across the province, and this year it has been increased to \$6.

What interests me, if these grants continue to increase over the next few years, as the hon. Prime Minister said they would have to, is that these special grants per pupil do not take into account at all the industrial potential of any community, and I think that while it does not matter so much when it is \$6, if in a period of time, it should get up to \$15 or \$20, we will be forgetting the way it has been run over the past few years. I would like some comments on that.

HON. MR. DUNLOP: Oh yes, we will watch it.

MR. MacDONALD: It was originally a pre-election hand-out.

MR. WHICHER: I would like to know if the hon. Prime Minister agrees there is a little danger there.

HON. MR. FROST: Oh yes, it is true there could be. There is much to be said for a per-pupil contribution, but you can only carry it to a certain level. Beyond that, it would create difficulties. I think one of our greatest problems is the one which was mentioned by one of the deputations from a municipal association. I am not sure, but I think it was the mayors and reeves. One of the greatest problems is getting an even assessment in the province of Ontario, and that is one of the

next things to be tackled. You can readily see that you cannot proceed with a \$6 per pupil grant when you pay in some municipalities up to 95 per cent. of the cost. You cannot go any further there.

MR. T. D. THOMAS (Oshawa): In item No. 4, "Assistance to Retarded Children," I am quite sure that every hon. member will support that item, because the parents of retarded children have put up a tremendous battle over the years. I am quite sure we have every sympathy with them. This year, the grant has increased by \$50,000 over last year, and I would have liked to have seen it increased more, but would the hon. Minister tell us how this extra grant is to be apportioned, on what basis, a per capita basis, or how?

HON. MR. DUNLOP: Yes, the enrollment is increasing each year, and I think this increase is going to be enough to cover the \$250 per pupil grant for those who attend half a day, and \$500 for those who are certified as being able to attend a full day. There are more of them each year, and the number is going to go up.

MR. THOMAS (Oshawa): Further to that question, would it be true to say that the increased grant is being given because of the increased attendance?

HON. MR. DUNLOP: Yes.

MR. WHICHER: Mr. Chairman, in regard to item No. 6 of vote 414, I wonder if the hon. Minister would say something about community programmes, physical fitness and recreation and non-profit camps? For instance, the community programmes?

HON. MR. DUNLOP: I did mention community programmes in my preliminary remarks. A number of localities have a director of recreation, who is supervised by the community programmes branch, and I think there is a full description of it in the report of mine which I shall be very glad to let you have.

MR. P. MANLEY (Stormont): Mr. Chairman, on item No. 3, the cost of education of non-resident pupils, I notice in "elementary schools" it has increased about \$15,000, and in the secondary schools it has decreased; last year I believe it was \$1,145,000. Would the hon. Minister care to explain?

HON. MR. DUNLOP: Mr. Chairman, I think 3 years ago, an amendment to the Act was passed by which municipalities having 2,000 or more population must assume the cost of educating secondary school pupils. This has to do with unorganized territories; there are some people, for instance, on Manitoulin Island who are not in a school section at all, they have to be transported. They pay no taxes, they pay nothing for the education of the secondary school children. Then there are a number of them further north where they still pay nothing for secondary school education, but the government pays it. That is what that is for.

Votes 414 to 416, inclusive, agreed to.

MR. NIXON: Mr. Chairman, I wonder before we leave education entirely, if I would be permitted to bring up a matter for which, of course, there is no vote in the Estimates. It seems to me it might be appropriate to mention it here. I have mentioned it before. It has to do with the Indian children, and their education in the province. That is of particular interest to me, because in my riding there is a very large number, some 6,500 Indians.

If you take the hundreds of thousands of children who are under the administration of The Ontario Department of Education, and the hon. Minister, from Gananoque to London, the only ones not included in that group would be a few hundred Indian children on the Six Nations Reserve in Brant.

Mr. Chairman, they are of course educated under arrangements made with The Department of Indian Affairs in the federal government. It does seem to me that if we are ever going to come to the time when the Indian population is to be integrated into our economy,

then we must begin to educate the Indian children under exactly the same supervision by the department, as the other children of this province. The very fact that they attend an Indian school, where their education is under different supervision entirely from the other children of the province, unquestionably has an adverse effect upon them. It is going to make it much more difficult, as the years go by, to assimilate or integrate the Indian population into our economy.

It is true that in the last few years, there have been an increasing number of children coming from the Indian schools on the reserves to attend our colleges and high schools in Brantford, Hagersville and Caledonia, but the teachers tell me these children are very shy, retiring and timid, and undoubtedly have a complex because they come from an Indian reserve.

I have discussed this matter with the authorities at Ottawa, and they believe—as do I—it is of fundamental importance to the future Indian population of this province that their children be educated in the same manner as the other children.

It is only a matter of 7,000 children at the outside in the entire province, and the hon. Minister and his department could take on that great responsibility, and it would not even cause a ripple across his massive brow. I am satisfied the federal government would be more than ready to meet the entire cost of the education of these children.

Of course, the Indians do not pay any land tax whatever, so the school boards legally could not collect from that source, but certainly the federal authorities, who are now paying the entire cost, would be quite willing to enter into an agreement with the province of Ontario, and to assume the cost which is now paid by the taxpayers, to pay their educational assessment along with their other taxes.

I do hope before I leave this august chamber, that the time may come, in the not too distant future, when I can see this last great improvement come to the

splendid Indian people of the province. I think it is absolutely fundamental this matter should be dealt with in the not too far distant future.

HON. MR. DUNLOP: I am usually in agreement with the hon. member for Brant, and I can assure him that if the federal department assumes the cost of that education, we would be delighted to take the Indian children over tomorrow.

I have had some correspondence with the Ottawa people, and I think we can go further in the matter of agreement. I wonder if the hon. member for Brant knows that we have made a beginning. In Sarnia, in one of the schools, and in one of the schools in Orillia, the Indian pupils attend with the others, on an absolutely equitable basis, which is as we like to have it. If the hon. member will ask the people at Ottawa to come in with us in that way, we will be quite happy to do it tomorrow.

MR. MacDONALD: Before leaving departmental Estimates, may I make a request of the hon. Minister. In preparing the 1955 report, which will be available roughly a year from now, would it be possible to include in them the pupil progression charts which were included a few years ago?

If the hon. Minister will forgive me for saying it, when I raised the problem of trade training originally this afternoon, the hon. Minister answered with some degree of complacency, but if we could have in the report each year, the up-to-date information as to how the pupils are dropping out grade by grade, we will have a clear picture showing how effective our educational system has been.

HON. MR. DUNLOP: It will be there.

MR. MacDONALD: I would like to assure the hon. Minister that while most of what I had to say was the product of my own experience in various phases of education, including teaching, it was also based on information related to the province of Ontario, gleaned from these documents prepared for the Hope Com-

mission; these people are in the trade at technical schools, and therefore are people who were aware of what was being offered now and the inadequacies of it in terms of meeting the needs of the slow learners.

Vote 417 agreed to.

Hon. Mr. Frost moves the committee do now rise and report progress.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

MR. J. F. EDWARDS (Perth): Mr. Speaker, the Committee of Supply begs to report it has come to certain resolutions, begs leave to sit again, and moves the adoption of the report.

Report agreed to.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF ONTARIO

Mr. R. E. Sutton moves second reading of Bill No. 118, "An Act to re-constitute the Institute of Chartered Accountants of Ontario."

HON. MR. FROST: Mr. Speaker, in relation to the Bill intituled, "An Act to re-constitute the Institute of Chartered Accountants of Ontario"; this is a matter which has received some considerable attention on the part of the various government departments. As I understand the matter, the Chartered Accountants' organizations felt they would like to have their legislation reviewed and brought up to date, which has been carefully done.

Insofar as I am aware, there is nothing in this Bill which would be offensive to the policies of the various accountants' societies. As the hon. members of the House will understand, there are several accountants' societies, the Certified Public Accountants, the Chartered Accountants, which I think is the senior organization, as well as others. I am not anxious that a Bill such as this should be passed over lightly. I think, however, it might be considered more fully and more completely in com-

mittee. If this Bill receives second reading now, the matter can then be considered fully in committee stage.

MR. OLIVER: Could it not properly be sent to a committee?

HON. MR. FROST: I am asking the Clerk of the House about that. I do not know of any other committee than the Committee on Legal Bills, and I do not know if that is the proper committee.

I would be quite satisfied to have it go to the Committee on Legal Bills. I suppose that is the committee which might most effectively deal with it if it is to go to a committee of this House. If the hon. leader of the Opposition would like that, I will have it done, otherwise it might go to the Committee of the Whole House.

MR. OLIVER: I think it should go to committee, if at all possible.

HON. MR. FROST: It will go to the Committee on Legal Bills then.

Motion agreed to; second reading of the Bill.

HON. MR. FROST: Mr. Speaker, in a moment I will ask you to call 6 o'clock. In order that we may proceed after the intermission, I think it would be better if I called Order No. 47.

The House on Order, resolved itself into the Committee of Supply.

HON. MR. FROST: Before calling 6 o'clock, may I say that tomorrow night the dinner for the press and radio people who serve us, and the people of Ontario, so well, will be held. This dinner is attended by the leaders of the Parties, which of course, includes the hon. leader of the Opposition. It is desirable tomorrow night that we adjourn early, I should say, at 5 o'clock. I would like to move that we convene tomorrow at 2 o'clock, and at the termination of the sitting tonight, I will make that motion. If there are any objections to it, we will consider them then.

It being 6 of the clock, the House took recess.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Wednesday, March 14, 1956
Evening Session

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

WEDNESDAY, MARCH 14, 1956

8 O'CLOCK P.M.

The House resumed.

THE BUDGET

MR. E. P. MORNINGSTAR (Wellingham): Mr. Speaker, I wish to resume my speech where I stopped last Friday. It was very fortunate for the aged people of Canada when Ontario's hon. Prime Minister (Mr. Frost) represented this province at the Federal-Provincial Conference in 1950. It is abundantly clear that his personal approach made possible the granting of the old age security. The payments to our elderly citizens are of great assistance to those who have a small income from other sources, or possibly those with some assets, or savings. Of course, they do not mean anything to the millionaires or wealthy people in the province.

The old age security payments are not realistic in providing for the needy persons in that age group. It is very clear to me that the government of Canada will not be able to say for long that it is giving the older citizens "a square deal." If it is now required that direct taxation be applied against all our people in the form of a 2 per cent. tax on income, 2 per cent. on sales tax, and 2 per cent. on corporation tax, then an adjustment is necessary. The government of Canada, whether it is aware of it or not, will have to revise its thinking and if necessary assess the population at large to the extent of 3 per cent. "across the board" to finance a more realistic

monthly grant. It is not altogether clear that it can avoid much longer a scheme to recognize the 100,000 to 125,000 Ontario people over 70 years of age who are quite unable to meet their needs from the \$40 per month handout.

Let us make it clear that this is a total federal programme paid for by all our people. The government of Canada loses no opportunity in accepting all the credit for old age security payments. I say to you, Mr. Speaker, with the taking of the credit, let them also take the responsibility.

MR. F. R. OLIVER (Leader of the Opposition): I thought the hon. member said that our hon. Prime Minister was entitled to the credit.

MR. MORNINGSTAR: Mr. Speaker, the federal government has the resources and the administrative machinery. There is nothing to prevent it from issuing the maximum amount of \$55 a month, available in the United States for similar cases.

The government of Canada had better do some serious thinking about all its sponsored programmes.

The hon. Minister of Public Welfare (Mr. Cecile) pointed out to the House the inconsistencies in the federal regulations governing the manner of treatment of old age security, and of blind persons, disabled persons, and war veterans. I personally do not know how The Department of Public Welfare manages, but I suggest it is severely hobbled by the standards set by the government of Canada.

In that respect, Mr. Speaker, I want to agree with the hon. member for Essex North (Mr. Reaume) with regard to disabled persons' allowances and old age assistance cases. Time and time again I receive letters with protests from people whose pensions have been cut. There are cases of old age assistance recipients whereby the recipients were baby sitting or cutting grass and their income was assessed as being over \$240 a year.

Last year the two governments agreed to increase those ceilings for the blind persons' allowances. I cannot see why it could not be done in the same way for the disabled persons' allowances and the old age assistance cases. The ceilings in those cases should be raised also. After all, the municipalities are today living up to The Department of Municipal Affairs' ideas in re-assessing.

If an aged person applies for a pension, there is 5 per cent. deducted for his assets, and if a mother is giving free board to a daughter, or a daughter is giving free board to a mother or father, there is, I think, \$25 a month classified as income right away.

I do not think that is right so I do hope that the two levels of government can get together and make some adjustment in pensions for these worthy people.

I requested a summary of welfare expenditures as they related to all the municipalities in the county of Welland. I learned that, during the last financial year, a total of \$702,218 was expended under provincial legislation for welfare purposes. Of this amount, \$455,755 was contributed from Ontario taxing sources. The municipal share was \$138,710, and the federal share 15 per cent. of the total, or \$107,753. The province of Ontario contributed 65 per cent. of the total, and the municipalities, 20 per cent. I should also add that the productive ability of the people of Welland County is indeed remarkable. Ours is a population of producers. I say that when I relate the total welfare expenditures to the total population of Welland, and I learn that our per capita popula-

tion cost per year was \$4.86. The welfare services I refer to are varied and include old age assistance, blind persons' allowances, disabled persons' allowances, mothers' allowances, the medical services for recipients under these programmes, maintenance for the home for the aged, direct relief, and child welfare.

Mr. Speaker, you will know that I am interested in the person who is not able to maintain himself through employment. Such a person must look to the public at large for support. I appreciate the fact that our Department of Public Welfare gives the benefit of every possible doubt to all cases coming to their attention; and I like the extraordinary service they give to cases requiring special attention.

Many older citizens need care and attention which sometimes can be given in the home, but which sometimes must be provided in a suitable institution. Recognizing the large burden of municipal taxation, recognizing the need for special care for many aged citizens, The Department of Welfare is to be commended for meeting a difficult situation in a practical way. The provincial government now assumes one-half of all costs related to the construction, the extension and the maintenance of homes for the aged. A number of new homes have been built during the past few years. More than 3,000 beds have been added.

I referred earlier to the fact that, in my riding, an 80-bed convalescent wing of our home for the aged will be built at a cost of \$550,000, to be shared between the province and the municipality. In many instances special facilities are available so that a husband and wife may spend their declining years together. Nursing and medical services have acquired adequate standards. I commend most heartily the government, and The Department of Public Welfare in particular, in implementing this very necessary and wholly desirable programme.

Homes for the aged operated by private charitable organizations are also being assisted by the provincial government. They receive modest maintenance

grants, as well as a grant of \$2,000 per bed for new construction. The existence of these homes is a desirable factor of our economy. Quite often they result in pleasant surroundings for older people who have certain interests in common, whether of race or religion or other social factors. Make no mistake about it, private philanthropy fostered by our churches or by our various community organizations has, and always will have, a useful and honoured place in our society. We must never get to the place where the state is our only recourse for helping those of us who need assistance.

I should like to see a vast extension of the housing programme provided for under The Elderly Persons' Housing Aid Act. This legislation provides for a federal-provincial-municipal partnership in the erection of suitable rental premises for older citizens. It is encouraging to note that more than 800 such units have already been constructed, but as I have said, I hope to see this scheme expanded considerably. The rentals are very low, and older couples with small incomes are able to live together in modest comfort.

Back in 1895, there was on the Statute books The Workmen's Compensation for Injuries Act—and a useless piece of legislation it was. In essence, it gave the injured workman the right to sue if his injury was attributable to the negligence of his employer; and you can imagine what chance an injured and penniless workman would have in a lawsuit with his employer.

In 1895 a committee was set up by the government of the day to look into the plight of the workers in relation to injuries, and by 1898 the government got around to saying they would give consideration to the views of a labour delegation. A few years later the Mowat-Hardy-Ross government went the way of all flesh, and Sir James Whitney took over. On June 30, 1910, the Whitney government appointed Sir William Meredith as a commissioner to investigate and report on the whole subject.

Sir William made 3 reports to the government, the first in 1912, the other two in 1913. The recommendations

formed the basis of the initial Workmen's Compensation Act. He introduced a new principle. The new law he recommended disregarded the question of negligence in its entirety. It recognized the misfortune of the injured workman and the needs of widows and children, regardless of whether there was negligence on the part of either workman or employer.

On January 1, 1915, the new Act became effective. There were complaints and cries of "blue ruin," but the fact remains that the workmen's compensation legislation, enacted by the Conservative government of Sir James Whitney and improved by succeeding Conservative governments, is today a world model. It has been studied by most of the democratic countries in the world.

By 1919 amendments provided for the payment of medical expenses out of the funds of the Workmen's Compensation Board. In 1920 the percentage of compensation was raised from 55 per cent. to $66\frac{2}{3}$ per cent. In 1926 silicosis was listed as an industrial disease. On July 3, 1943, the maximum earnings on which compensation could be calculated was increased from \$2,000 to \$2,500. On January 1, 1950, the maximum was again increased, this time to \$3,000. This has since been raised to \$4,000. In 1945 and 1946 provision was made for the supplying of artificial appliances to injured workmen, regardless of the date of the accident—going back, as a matter of fact, until 1915.

The Workmen's Compensation Board operates a rehabilitation centre at Malton, with a capacity of about 525 patients. Every facility is available to aid recovery, and the programme is a success.

Here is an illustration of how the work of the board has increased over the years. In 1915, some 14,750 employers were registered with the Workmen's Compensation Board. By 1954, the number of employers had increased to 60,453. This indicates, of course, a tremendous expansion in our economy. It also indicates coverage of many new

classes of employees — in hotels, in offices and especially in hospitals.

If you doubt my earlier statement about our Workmen's Compensation Act being a world model, here are some of the countries and jurisdictions which have sent representatives to study our system: England, France, Sweden, Norway, Finland, the Netherlands, Italy, Yugoslavia, Southern Rhodesia, South Africa, India, South America, Puerto Rico, Haiti, Belgium, Mexico, the Philippines and many of the states of the United States.

Mr. Speaker, may I say how much I have appreciated this opportunity of expressing my views to you and the hon. members of this House. I can only add that I consider it a great privilege to sit in this Legislature and be a part of a government which is striving so well to serve the best interests of all our people.

MR. W. E. JOHNSTON (Carleton): Mr. Speaker, as I sat in this House on the opening day of this Legislature and heard, for the first time, the Speech from the Throne delivered by the Honourable the Lieutenant-Governor of this province (Mr. Breithaupt), a great feeling of responsibility came over me, and so I have given a great deal of thought to what I should say in this, my first speech.

Mr. Speaker, I would, first of all, join with all the other hon. members in congratulating you upon the high position you hold and the able fashion in which you conduct your duties from day to day. Certainly you have already shown the hon. members in this House that there was a great deal of merit in your appointment to his high position.

It is with particular pleasure and pride that I present my first address to this Legislative Assembly, stemming, as it does, from the early glimmering of representative government in this great province.

Because the county of Carleton, the riding I have the honour to represent, was one of the early counties of old Upper Canada, I wish first to outline its historic background which was, in

fact, a cross-section of the political, economic and municipal development of all the early counties that constituted this Legislature, during the period of the Simcoe administration.

My county takes its name from a great soldier and statesman, Major-General Sir Guy Carleton (later, Lord Dorchester) who fought under Wolfe at Quebec and then saved the struggling colony of Canada from conquest by the American invading army under Montgomery and Arnold.

Had Sir Guy Carleton been permitted to lead the expedition down Lake Champlain into New York State instead of "Gentleman Johnny" Burgoyne, who travelled with a well-equipped bar and a mistress—naturally, his mind could not have been on his job — I repeat, if Sir Guy Carleton had been in command, there would have been no disgraceful defeat at Saratoga; France would not have sent a fleet and an army to help the Americans; Washington could not have carried on alone and Britain would not have lost a great chunk of empire. So much for speculative history in the realm of what might have been.

But Carleton proved himself equally gifted in statecraft. With the lessons of the Revolutionary War fresh in mind, he initiated the first system of colonial administration when, in his second term as governor, he divided Upper Canada into 4 districts: Lunenburg, Mecklenburg, Nassau and Hesse. Upper Canada still had not political representation. These districts and their successors were judicial areas set up for the administration of justice. All the still-to-be-surveyed counties of Ontario were in these 4 districts.

In 1792, Upper Canada got as its Governor, John Graves Simcoe. He did not like the German names of the 4 districts, so he gave them English names — Lunenburg became the Eastern District (my section of future Ontario); Mecklenburg became the Midland District; Nassau became the Home District and Hesse became the Western District.

But Simcoe did more than that. By The Constitutional Act he had to have some kind of a Legislative body. So he designated 19 counties — all along the St. Lawrence and Lake Ontario-Erie front — each to have one member in the first Parliament of Upper Canada, now Ontario. At that time (1792) the whole of Upper Canada had a population of 20,000.

My county of Carleton was still unsurveyed wilderness and its future territory was divided between Dundas and Grenville Counties, which were among those first 19 counties.

But with the steady increase in population, Simcoe found that for his second Parliament he would have to increase the political representation from 19 counties, or ridings, to 24. So, in 1798, 5 new counties were added to the 19 original counties. Among these was Carleton County. Not as it is today, but with only one designated township, Nepean, and all the land between in a line drawn from Crosby to the Ottawa River. This included part of the present counties of Lanark and Renfrew.

It was also time to carve new judicial districts out of the 4 original ones. So, Simcoe sliced the Johnstown District out of the Eastern District. In 1816, there was another shuffle of districts, and from it emerged the Ottawa District, which included two more new townships of Carleton: Gloucester and Osgoode. Still another revamping of the districts resulted to form the Bathurst District out of the Rideau settlements and Carleton grew some more with additional townships.

The last district demarcation took place in 1842 when the district of Dalhousie was formed with the present 10 townships of Carleton County. By this Statute, the district of Dalhousie and Carleton County were identical in territorial boundaries. In 1850, all the districts were abolished by the great Municipal Act of 1849, the Magna Charta of municipal government in Ontario, and the county then became both the civil and judicial unit with the politi-

cal riding known as the Electoral Division of Carleton.

This same process happened to all the counties of Ontario at that time. This was really the official origin (1849) of independent municipal government in Ontario.

It is just as well to remember these facts now in these days of absorption and expansion and administrative changes—that the basis of all independent government in Ontario is the township and the county. And some bureaucrats in a hurry might well remember this.

One factor in bringing about municipal self-government was introduced by the United Empire Loyalists who came to our St. Lawrence “front” townships. They brought with them the thoroughly democratic New England practice of the “town meeting” which authorized the holding of an annual meeting of the citizens in a township to elect certain officials.

While these developments were more or less common to all the counties of Ontario, my own county of Carleton is historically unique in several respects. Foremost is the fact that the basis of pioneer settlement in Carleton was both for defence and civilian colonization, with the former consideration of prior importance.

England, struggling alone against the dictatorship of Napoleon, found herself involved in a war thrust upon her by the “War Hawk” party of the United States. England could spare only a few regiments of regulars and the defence of Canada rested largely on militia and settlers. During that struggle transportation of supplies and troops by the St. Lawrence River was vulnerable to attack.

When the war ended, the imperial authorities began thinking in terms of an interior line of communication that would be safe from invading forces and that could be defended.

Colonel By was sent out to construct the Rideau Canal as both a defence and settlement project. But, before the canal

was constructed, the British government, to relieve the economic pressure at home, set in motion a system of emigration. At the same time, the disbanded regiments of the war were offered land grants if they would settle in the Rideau-Ottawa wilderness.

Accordingly, a series of military settlements were established at strategic points. In Carleton County were two important such settlements at Richmond and March. Besides, the entrance of the canal at Bytown (Ottawa) was also designed as a fortified area.

These factors profoundly influenced the character of pioneer settlement in Carleton County. At one time, the settlement of army and navy officers at March petitioned to make the capital of Canada there. They just missed by about 20 miles! The Richmond military settlement was also advocated as the county capital and it actually was for a short time when it had the county registry office there.

All this had a distinct bearing on the naming of the townships in the county of Carleton. They are named after great leaders in British history (such as Marlborough) or, after the members of the reigning Royal House (such as Richmond and Gloucester), or British leaders and nobility such as all the other townships.

It also had its impact on the thinking of its citizens. Down through the years, fidelity to the Crown and loyalty to British tradition have been cardinal principles of Carleton County's political faith. Twice it was the political home of Sir John A. Macdonald in federal representation, and ever since Confederation, its parliamentary representatives have been, with one exception, of the Conservative Party. Also, in Carleton County was founded, at Richmond, the first Masonic Lodge in Canada.

But Carleton has been outstanding also in its contribution to Canada's economic development.

For over half a century the Ottawa River and its tributaries carried a tremendous industrial asset in its vast timber trade. During this period, the

timber industry in the Ottawa Valley and its river counties, including Carleton, was the economic backbone of Canada. It was the bulwark of Canada's export trade and financial strength.

This early river trade made tremendous demands on the agricultural resources of the river counties. It was a special type of agriculture known as "shanty farming." The farmers supplied an almost insatiable demand in hay, oats, pork, flour and other produce for the vast armies in the timbered hinterland. They also supplied teams and man-power from the settlements and farms in the fall and winter season.

When the timber trade dwindled at the turn of the century, Carleton County farmers were among the first to realize that it was the end of an era. They concentrated then on a specialized form of agriculture.

Carleton County farmers have an enviable record in specialized agriculture. In particular, the county is noted for its dairy production and in this respect, considerable farm income is derived from a thousand city milk shippers in the areas adjacent to Ottawa.

In silage corn, Carleton has long been in the forefront of Ontario counties, both in acreage and yield.

Another long-standing Carleton County achievement is in the production of registered seed. I have not the most recent statistics available, but I know at one time Carleton was producing more registered seed than any other area in Canada.

In all this, they were greatly aided by the wise policy of the Conservative Whitney administration of Ontario, and improved on since by every successive Conservative government at Queen's Park.

This was the system of appointing agricultural representatives to each county, plus the development of women's institutes and junior farmers' clubs. As a result, agricultural life has been revitalized in the light of modern conditions. Much of the credit for this goes to an intelligent and industrious farm population but a lot of it goes to those

dedicated men, the agricultural representatives. I know Carleton County has a most competent one in W. M. Croskery.

Largely through their efforts, these junior farmers' clubs and 4-H clubs have created a new social spirit and a new pride in farming craftsmanship. What with rural hydro and the modern farm kitchen, and modern motive equipment, the old isolation of the farm no longer exists. I note with pleasure the further extension of rural hydro in eastern Ontario.

I know from experience some of the benefits of these programmes for, not so long ago, I was a member of a judging team in a livestock competition at the Royal Winter Fair.

Here I would like to talk briefly about the great work of 4-H clubs, for they have become a tremendous factor in rural life, in economic potential, and in that greatest asset of any country, quality citizenship.

They constitute a new force that is quickening in youth those human values that are in danger of being dissipated or destroyed in the "rat race" of this high tension existence, without discipline or direction. Time will not permit me to dwell on its spontaneous origins and its code of purposeful living.

The idea found its symbol in the clover leaf and its expression in a pledge:

I pledge my head to clearer thinking,
my heart to greater loyalty,
my hands to larger service, and
my health to better living,
for my club, my community and my
country.

The practical application of that pledge is all that is needed to restore sanity to our sick civilization.

If urban municipalities could promote the same idea of 4-H clubs with the same zeal and dedication as have the rural areas, I am sure that the acute problem of juvenile delinquency would be at least controlled to a far greater extent.

As I said before, our agricultural representatives are doing, in this work, a

tremendous job in citizenship, in the conservation of both our material and human resources.

We, in Carleton County, have taken a pride in the achievements of our 4-H clubs. One of our 4-H clubs — our potato club team — annexed the national championship last year at the Royal Winter Fair. Our 4-H home-making club, under the direction of Mrs. Hays, is one of our most popular county organizations. And even as I speak, a two-unit debating team of Carleton County young people has won semi-final honours and is now preparing for competition for final all-Ontario honours at Guelph. The whole county is with them in their bid for another championship.

All this adds up to the fact that Carleton County, by any criterion, is outstanding, not only in this province, but in the whole of Canada.

May I say to the hon. members that the team which competes against our Carleton County team — and I believe the contest will be held on next Friday night — is that of the hon. member for Halton (Mr. Hall), so that Carleton County and Halton County are in the finals at Guelph on Friday night for the top honours.

Now, Mr. Speaker, I find myself in a position which few of the hon. members do as a newcomer, for the reason that we have here in the House hon. members who are well known to me, and who have made a great contribution to the economy of this province. I refer, first of all to our "old gentleman of the Cabinet," the hon. Provincial Secretary.

HON. G. H. DUNBAR: The hon. member is not calling me "old," is he?

MR. JOHNSTON: I would like to mention my neighbour to the left, the hon. member for Lanark (Mr. Doucett). I also would refer to the one who held the Carleton seat prior to myself, the hon. member for Ottawa West (Mr. Morrow). He came into our riding in 1948, and may I say I have had a great deal of pleasure in working with him, and I know, per-

haps better than anybody, that he certainly puts forward a good effort for the county of Carleton.

Before that hon. member we had a representative for Carleton County, that great old Conservative worker the late "Holly" Acres. "Holly" Acres represented this riding for 25 years, and I have often heard it said that never was there one who contributed more to the welfare of the Conservative Party in the province of Ontario than he. I have heard men such as the hon. George Drew who now, by the way, represents the same riding as I, in the federal House, tell some of the things which "Holly" was able to carry out, and some of his political "tricks" which were invaluable as far as the "Tory" Party was concerned in this province.

To go back a few years, Mr. Speaker, I would like to say, in passing, that I happen to be the eighth representative of Carleton County in this House.

Now, if we stop and look at the matter, we can realize that there must have been some great men precede me in this House. May I say that among the men who represented my riding, of Carleton County, was a gentleman by the name of Mr. Robert Lyons, I do not know his initials—who represented the county from 1867 to 1871. He was followed by that grand citizen, Mr. George W. Monk, who lived in the township just east of mine, and who represented a riding for 23 years.

Mr. Monk was followed by the late Edward Kidd, who represented the riding from 1894 to 1908, and was followed by the late Mr. R. H. McElroy, who represented the riding from 1908 to 1919. That was the only time the county broke away from the tradition of Conservatism.

Then, in 1919, there was elected a very, very fine type of gentleman in the person of Mr. R. H. Grant, under the United Farmers Organization. I think he was Minister of Education during that regime.

In 1923, Mr. Grant was followed by the late "Holly" Acres, who held the seat until 1948, when it was taken over

by the present hon. member for Ottawa West.

I would like to make a few remarks about the riding, with particular reference to the city of Ottawa. We find ourselves in a very peculiar position in that we are very close to the city, and there are so many things in the city which affect us that our position is, indeed, a peculiar one.

First of all, because Ottawa is the capital city of Canada, we have the federal district commission, amongst other things, and they have combined to put us in a position which is vulnerable to a great extent, and I think there are many things we have lost, due to our position, particularly from a federal point of view.

My hope is that sooner or later, because of that position, the federal government will accept its responsibility in relation to our riding, and develop the federal district throughout the whole area, which will, of course, within the next few years, take in a great part of my riding.

I was very much pleased today to have the opportunity of listening to the debates on the Estimates of The Department of Education, which the very able hon. Minister (Mr. Dunlop) put forward, detailing his plans, and even though there was a great deal of criticism expressed, I feel I can say quite safely that the hon. Minister has done an exceptionally good job as the head of the department.

I would like to repeat a comment which I made in the Committee on Education a week or 10 days ago, when I commended the department, headed by the hon. Minister, for deciding to do away with all the "frills". Mr. Chairman, this question of "frills" came up today, and there was a good deal of criticism expressed, and I want to say to the hon. members of the House that I think the time has come when "frills" will no longer have any part to play in connection with education.

As the hon. members may be aware, I represent a rural riding, and the suggestion was made in the House today

by some hon. members in Opposition, that the taxpayers of the rural municipalities are rapidly getting to the point where they no longer can meet their obligations. With that statement, I will agree. But I repeat, Mr. Speaker, there is no time nor place for any of these "frills."

There is a limit to what the people in the rural communities can stand, and we in the rural areas are feeling the pinch.

As I mentioned a few moments ago, in my riding, we have a large number of whole milk shippers, who are enjoying almost the same level of income as they have during the past number of years, but when we pass from them, then we are in mixed farming, and the people who are earning their livelihood at mixed farming are the people who form the backbone of this great province.

The prices of livestock and secondary milk have fallen to such an extent since February, 1952, that I do not know where it is going to level off. This whole problem has been raised in this House during the last 5 or 6 weeks by several hon. members, but, as far as I am concerned, nobody has yet found the answer, and we are forced to ask ourselves: "What is the answer?"

When I was a member of the Ontario Federation of Agriculture—and I served on its executive for 5 years—we had a great deal to do with this whole question of farm income.

At that time, we were enjoying high prices, but I believe most of us realized at that time that some day the "honeymoon" would be over. I do not believe we realized the drop would come so quickly or to such an extent, but it has come. Now we are faced with the problem of doing something about it.

I may say, in passing, that yesterday and today our Federation of Agriculture has been holding meetings in Toronto which I believe over 1,000 representatives of all the groups throughout the province of Ontario have attended. They are trying to solve the problem, and to evolve a plan which they can present to the government, by which the government might take some action to save the

situation. From the suggestions which have been made by organized agriculture, it would seem that marketing legislation is the answer.

I would not be at all surprised if we are asked soon by organized agriculture to give some thought to bringing marketing legislation into operation in this province which, they believe, is the answer to the problem. I am "all for" such action. I believe that marketing legislation will pay good dividends. However, I do not believe it is the answer to the whole problem. In any event, it will result in the orderly marketing of farm produce in the province of Ontario. That is one thing at least which we must have.

However, we must go further than that. I am not suggesting for a moment that the government of the province of Ontario can go much further. However, there may be some way in which we can protect some of our farm commodities, and I should like to make one suggestion in that connection.

Mr. Speaker, for some years this government has supported the cheese producers' organizations in many ways. One of the great things the government did was to supply money to help the producers to build cold storage plants. Another thing which the government of the province of Ontario has been able to do, in the past 3 or 4 years, is supply bank credit to the producers' association to take care of surplus cheese, which the trade did not need. This year, I understand the government has decided it has come to the point where it might cease supplying that credit. I should like to suggest, and recommend very strongly, that this government reconsider that action, and go "all out" this year to again supply credit to the cheese producers of Ontario.

The cheese producers have been the backbone of the province of Ontario for a number of years. I have figures here to show that as far back as 1905, this country exported to Britain 105 million pounds of cheese. Let hon. members not forget that at that time every bit of the milk which produced this cheese was drawn to the cheese

factories by a horse and buggy, or in a milk wagon. It is a different story today. We have, in Britain, the greatest market in the world for Cheddar cheese, and we have, in Ontario, the greatest country to produce it. We have lost that market. There is no question about that. We have lost it for one or two reasons.

The first is that we have not been supplying the cheese. Secondly, we have been priced out of the market. Why have we been priced out of the market? What is the answer to the problem? Why have we lost those markets? The answer is simple. We have lost those markets because our economy is geared to such a position that the cheese producers today cannot produce cheese, and sell it for a price Britain will pay—the best market in the world.

If we are to save agriculture, we must take some action. I am sincere in saying that we have reached a place where the position is becoming a bit dangerous. Since the beginning of this new year, 1956, beef prices have fallen off \$2 per hundredweight, hog prices are right down to the floor, and from what we have in view for the coming year as regards cheese, it would appear there may not be a surplus, but if there is, unless the government supplies the bank credit to the cheese producers' associations to buy up the surplus, the price of cheese will also go down to the floor. There is no question about that.

Therefore, Mr. Speaker, I say to the government, in all sincerity, that this action should be taken. It is only a small thing, and will not cost too many dollars—probably not one dollar—but it will provide the cheese producers' associations with the security they need to put them in a bargaining position where they can take care of any small surplus which there might be.

Mr. Speaker, I would like to say a few words about our highways. We, in eastern Ontario — and particularly in my riding — are adjacent to the city of Ottawa, and are concerned about one or two things. The point foremost in my mind is that there is to be a Queensway built through the city of Ottawa.

It was first mooted 9 or 10 months ago that the Queensway was to be built, and plans were drawn up for it. Since then, I understand there has been a little difficulty, and there is now reason to believe that the construction of the Queensway may be delayed for 4 or 5 years.

We are concerned about this, because traffic is very heavy in Ottawa, and there is no way in getting through, as it is just a bottleneck. On highways No. 16 and No. 17, we have two dangerous subways. In addition to that, we have one railway level crossing which is very dangerous. If the Queensway is built according to the plans laid out, I understand from the engineering department, that highways No. 16 and No. 17 will be joined to it, which will eliminate both of those dangerous bottlenecks.

I mention this to the hon. members, especially to the hon. Minister of Highways (Mr. Allan), although I realize his position. If the Queensway is built within the next year or two, well and good, but if it is delayed for 5 or 6 years, something will have to be done about those bottlenecks.

I understand the reason for the delay is that the city of Ottawa will not contribute its share toward the project. If that point is examined closely, it will be found there is reason to believe that the city of Ottawa is not "stalling" on the project, but in all fairness to the city of Ottawa, I believe they are being asked to pay too large a share of the cost.

I make this suggestion, and I hope consideration will be given to it. My own point of view, Mr. Speaker, is that in order to carry through a project such as this, the federal district commission, the federal government, and the province of Ontario should share in the cost, as well as the city. I do believe, under present legislation, things must remain as they are, but, Ottawa being the capital city, and the project being needed so badly, I believe this government, the federal government and the federal district commission should get

together and take action whereby some of the load will be taken off the city of Ottawa, and in that way get this project under way.

As hon. members know, 10 years ago a job like that could have been done for much less money than it will cost today, and if it is left for another 6 or 7 years, the way things are going, the costs will go higher still. So I suggest we get busy and see if we cannot work out a programme whereby that project can be completed within the next 2 or 3 years, at the most.

HON. G. H. DUNBAR (Provincial Secretary): Mr. Speaker, if I may interrupt the hon. member for Carleton: I would not like it to go abroad that the city of Ottawa is holding this project up. I am not connected with the city of Ottawa, but it is not holding up the project. It was passed in council. The hon. member should be fair to them. It is not the city council of Ottawa which is holding the project up.

MR. NIXON: No doubt the hon. Minister will say it is the federal government.

HON. L. M. FROST (Prime Minister): Mr. Speaker, in this connection the federal government has set up — or is setting up — a joint select committee of the House of Commons and the Senate, to look into the whole problem of a federal district. That is quite an issue there, and will be the subject of deliberations on the part of a joint committee of the Parliament of Canada.

MR. JOHNSTON: Mr. Speaker, that is the understanding I have. I am not saying I am right, but I do make the suggestion that we had better take a look at it, because the understanding I have is that 8 or 9 months ago this work was to be undertaken this year, and now it is an entirely different story. There is reason to believe it will not be undertaken for a while. We are concerned about it; it would be but common sense to proceed with it, and I suggest we at least take a look at it.

Mr. Speaker, there are one or two other things I would like to mention. The first is that we, in the province of Ontario, have set up a telephone authority. In my riding, we have two independent telephone companies, and when the telephone authority was set up some 3 or 4 years ago the purpose, I believe, was to give further services to independent telephone companies.

I would like to suggest that this telephone authority has assisted small companies who were just existing and were not getting services in a great many ways and has put them in a position where they can amalgamate, one with another, and in other ways, so that today they are giving better service.

We have, in my riding, two independent telephone companies which are comparatively large, one with 700 subscribers and the other with 500 or 600, and these two companies today are suffering from lack of money to provide capital expenditures whereby they can expand to a position where they can compete with a company such as the Bell. If they do not expand, naturally, through the years, they will not be able to compete, and so they will have to be taken over either by the Bell or some other company.

Both of these companies are going concerns, but both are in a position today, because they are close to urban Ottawa, where they must expand, to provide the services which are demanded of them. I wonder, Mr. Speaker, if the government would give some consideration to providing a fund whereby the money could be loaned to these companies for the necessary capital expenditures. I think it would be one of the greatest services we could provide. I understand that both of the companies I mentioned would like to spend \$30,000, \$40,000 or \$50,000 on expansion, but are not able to secure funds, except by applying to the banks, where the amount they could receive is very limited. If a fund could be set up here under the telephone authority, whereby money could be loaned to private companies such as these, a great service would be rendered to them.

In closing, Mr. Speaker, I want to say that I have been most pleased at being elected a member of the House. I have certainly enjoyed the whole procedure and I do want to pay a tribute to the government. I would like to single out the hon. Prime Minister for the able manner in which he gave a thorough explanation of the government's position on education.

I would also like to commend the hon. Provincial Treasurer for the able manner in which he brought down the Budget. I could go on and mention each hon. member of the Cabinet in turn. I am very proud that we have men in this government who are so capable of doing the job there is to do.

Before resuming my place, may I also commend the hon. leader of the Opposition (Mr. Oliver) on his ability to put forward the views of the Opposition. When one stops to look back over the years and takes into consideration the type of men who have represented various parts of this province, we must realize we have with us today, in the Liberal Opposition, two men who must have been of great stature and who have shown great ability in the conduct of the affairs of this province. I refer to the hon. leader of the Opposition and the hon. member for Brant (Mr. Nixon). The hon. member for Brant is dean of this Legislature, and from where I sit, I can see his profile all the time and I really have to laugh to myself, when I hear him chiding the hon. Prime Minister, or some other hon. member of the Cabinet with, at the same time, a smirk on his face. It speaks well for the type of man he is, and that he realizes the men on the government side are doing the job which has to be done in this province, as he would do it himself, and did do it when he was where they are today.

Mr. A. Grossman (St. Andrew) moves the adjournment of the debate.

Motion agreed to.

The House, upon Order, resolved itself into the Committee of Supply.

ESTIMATES, DEPARTMENT OF PUBLIC WORKS

HON. W. GRIESINGER (Minister of Public Works): Mr. Chairman, before presenting the Estimates of The Department of Public Works, I would like, first, to place on the record of this House an appreciation to my senior officials and all the members of my department, for the loyalty and co-operation they have given me since I have been Minister of the department. I might say that, due to the loyalty and work of this group of men and women, we have been able to accomplish a great deal during the past year, and I am sincere in saying that I certainly appreciate what they have done during that time.

When the hon. Provincial Treasurer (Mr. Porter) gave his Budget address some days ago, this blue book was placed on the desks of all hon. members, entitled, *Works Programme for the Fiscal Year 1956-57*. I would like to point out that it also includes work which was completed during the past year, that is, 1955-56.

It is not my intention to go through the entire book, but merely to mention some of the highlights. During the past year we completed, in the city of Toronto, the new Treasury building, the Osgoode Hall annex at York and Queen Streets, The Department of Labour building at 6 York Street, and The Department of Planning and Development building at 454 University Avenue, formerly the Liquor Control Board building.

At Kemptville we completed a new Ontario government branch office building; at Guelph a processing laboratory, and in Ridgetown an experimental farm, and a laboratory and office building for The Department of the Attorney-General. We completed a new detachment building at Ignace, consisting of 45 housing units, for the provincial police.

For The Department of Education in Toronto, we completed the new Teachers' College on Carlaw Avenue which

the hon. Minister of Education (Mr. Dunlop) and myself had the pleasure of opening not very long ago. I would recommend to the hon. members that it would be worth their while to take a look at the new Teachers' College. At Smiths Falls, for The Department of Health, we completed a new assembly hall, a gymnasium, a school building and administration building and a nurses' residence. That practically completes all the work, for the time being, which will be done at Smiths Falls.

In Toronto, for the Ontario Hospital, a new administration and reception building provides 100 additional beds. At the Ontario Hospital at Orillia there is a new 300-bed unit for children, and also a new isolation unit for 76 patients. At the Ontario Hospital in Port Arthur, the second group of buildings known as "F2" and "M2" — and a laundry building — were completed, giving additional accommodation for 360 beds. For The Department of Highways in Toronto, we completed their central storage building, an office and laboratory unit at Keele and Wilson Avenue.

For our own department, I might mention that 9 dams were built throughout different parts of the province, which are all listed in the book.

For The Department of Reform Institutions, we built at Mimico a new dormitory building known as "No. 3." The total investment in these buildings and works amounts to approximately \$21 million.

May I point out that in our Estimates will be noticed a substantial increase in our ordinary expenses. That, of course, is due entirely to the fact that these new buildings have come into use, and the maintenance, light, heat, caretaking, etc., and repairs, are accountable for the large increase in our ordinary expenses.

I might also say that for the past two years, in order to co-operate with the national employment service and also with the unions — particularly those in the building trades — all our contracts included a winter-work clause. A win-

ter-work clause naturally increases the cost of buildings to some extent, depending on where it is being built. In the north country it is much colder, and in some cases we have to take into consideration the fact that men cannot be expected to work when it is 30 or 40 degrees below zero. However, we will still continue to have the winter-work clause in all our future contracts.

I would add that in order that this type of work may be carried on, and kept going, we have used the services of approximately 48 outside architectural and engineering firms. It is natural, when a building programme of this size is under way, that a great deal of the work cannot be finished in the year in which it is started.

I am now going to mention some of the work which has been started and will be continued, throughout the coming year.

For The Department of Agriculture at the Ontario Agricultural College, at Guelph, there will be continued the extension to the power plant, the continuation of the new soils building, of the vehicle storage and service building, paint shop, addition to the laundry, and also a physical education building.

At the Veterinary College, we will continue the laboratory and office building, the medical-surgical building, and the fireproofing of all the older buildings.

For The Department of Agriculture at the New Liskeard demonstration farm, we will continue the new administration building.

At the Vineland agricultural experimental station, we will continue with the new administration and laboratory building.

For the Attorney-General's department, at Port Arthur, we are continuing the headquarters, storage and repair shops and 13 different detachment buildings which are listed in the blue book. In addition, we will continue and complete an additional 50 housing units for the provincial police, in different locations.

At Sault Ste. Marie there will be a continuation of the new registry office,

a continuation of the new registry office at North Bay, a continuation of the new registry office at Port Arthur, and the new Ontario Provincial Police headquarters building, at 125 Fleet Street, which, by the way, is the old Orange Crush building.

For The Department of Education we will continue and complete the new Teachers' College at Hamilton. I doubt very much whether we will complete the new Teachers' College in London but we will certainly continue with the work there, and hope for the best.

At Belleville School for the Deaf a new heating plant building—which continuation of work is presently under way. At Toronto, at the Ryerson Institute, we are installing a sprinkler system in some of the old buildings, and will continue with the first unit of the new building, which has been announced by the hon. Minister of Education.

At Port Arthur we will proceed with the new institute building, known as the "Lakehead Technical Institute"; and at Haileybury the Institute of Mining, a two-storey addition.

For The Department of Health, the following work will be continued in the fiscal year 1956-57:

The main building at Brockville, additional wards, new mechanics and trade building, remodelling and fireproofing of cottages "A", "B", "C", "D", "E" and "F"; 2 pavilions for disturbed patients, new kitchen, dining room and stores.

At Hamilton, the new 600-bed addition and a new power house, the 4-storey addition with female and male wings and fireproofing of the older building.

At Kingston, continuation of the new 500-bed group, and new power house and laundry, and fireproofing for the main building.

At New Toronto, a new kitchen for the Ontario Hospital.

At North Bay, continuation of the 1,200-bed hospital in that area.

At Penetang, a new addition for the criminally insane building and a new sewage plant.

At Woodstock, the new 500-bed addition, the new trades building and the addition to the power house.

For The Department of Highways, the buildings presently under construction at Stratford, Bancroft, Fort William, Cochrane and Owen Sound.

For The Department of Lands and Forests: at Maple, a new office and radio workshop building, and a greenhouse annex.

At Pembroke, extension of our office building, and throughout the province generally the docks, cabins, workshops, boathouses and things of that type, of a more minor nature, are presently under construction.

For our own department, we will continue with the boiler plant additions at the east block, necessitated by the construction of the new Treasury building. We have also called for tenders—and I believe they are in—for the sound system in the Legislative Assembly, which the hon. member for Essex North (Mr. Reaume) mentioned a few days ago.

At Mimico, for The Department of Public Works, the regional office and stores building and, as listed in the blue book, certain dams, etc., are already under construction.

For The Department of Reform Institutions—and these are all buildings presently under construction and we hope will be completed during the coming year—at Burtch, a new administration building; at Burwash, a new dormitory building, central heating plant and water works system; at Mimico, another new dormitory known as "No. 2"; at Guelph, an assembly hall and gymnasium, training school and oil storage building.

At Millbrook, as was mentioned by the hon. Minister of Reform Institutions (Mr. Foote), it is expected that building will be completed in the late summer. That is the new jail at Millbrook.

At Brampton, the training school for women. At Galt, the training school for girls.

For The Department of Travel and Publicity: completion of the new reception centre at Middle Falls, and one at Point Edward. This work amounts to approximately \$28.5 million, which of course is a carry-over from 1956 to 1957.

The new work will start this year, that is, the fiscal year 1956-57, will be as follows: I might add that even with the services of outside architectural and engineering firms, it takes approximately 7, 8 or 9 months or a year to have working drawings completed. Sometimes it is impossible to get a new building under way, beyond having the plans prepared, and calling for tenders, as soon as we receive the plans from the outside architectural firms.

These are the works scheduled for 1956-57:

For The Department of Agriculture, for the MacDonald Institute and Watson Hall, plans for extensions to be completed. At the Ontario Agricultural College, Guelph, a new research unit; at Kemptville, a poultry service building; at New Liskeard, a new poultry building, and new beef barn.

For The Department of the Attorney-General, district headquarters buildings at Niagara Falls and Barrie. Detachment buildings at Dryden, Bracebridge, Sturgeon Falls, Thessalon, Gore Bay, White River, Emo and Whitney. New 4-car garages at Ottawa and Kitchener. New housing units to be started for the Ontario Provincial Police, during this same period, will total 81.

For The Department of Education at Belleville, a new junior residence, new junior school building and new laundry building. At Brantford, a new building for assembly room, auditorium, etc. At Haileybury, a new two-storey addition to the provincial Mining Institute. At Toronto plans are being prepared for the new Lakeshore Teachers' College in the west end of Toronto, or plans will be prepared immediately for that new school for The Department of Education.

For the Department of Health at Aurora: general repairs, the same as at Brockville and Cobourg. At Hamilton, a new clubhouse. At Orillia, a new laundry building and cattle shed. At London, a new active treatment building with 600 beds, new modern clinic and operating room facilities, and administration offices and laundry building. At Penetang, a new amusement hall; Whitby, a new disposal system and new sanitary sewer system. At Christie Street Hospital, Toronto, a new one-storey addition; also at New Toronto and in Toronto proper, a new Department of Health garage.

At 999 Queen Street, a new laundry building, and I am happy to announce since the hon. Provincial Treasurer (Mr. Porter) made the announcement in his Budget address, there will be a new hospital for retarded children in southwestern Ontario. It will be built along the same lines as the one presently at Smiths Falls. It is presumed that when the whole operation is completed, it will be of the same size, approximately 2,000 beds.

MR. H. C. NIXON (Brant): Is there a site selected for that, as yet?

HON. MR. GRIESINGER: At the present time we are looking, but I am not in a position to say where it will be.

MR. NIXON: There is some land in Brant.

HON. MR. GRIESINGER: We will look around.

For a project of that size we have to take into consideration the availability of water, sewage disposal, good drainage, etc., so we will have to be quite careful in selecting the proper site.

MR. NIXON: There is plenty of land down there for it.

HON. MR. GRIESINGER: We will do the best we can.

For The Department of Highways, on their present property at Keele

Street, a new motor vehicle branch building will be erected and I presume the hon. Minister of Highways (Mr. Allan) may have something to say in connection with that, when he presents his own Estimates.

For The Department of Lands and Forests at Maple: new radio residence. At Pembroke, Parry Sound and Timmins, new rangers' headquarters.

For The Department of Mines, at Kirkland Lake: a new office building, and at Kenora, a new office building.

For The Department of Public Works itself in Toronto: a new sanitary engineering plant and a new central garage.

At Sudbury, we are developing a new site which was purchased in 1954 and 1955, where we hope to build accommodation for The Department of Public Works itself, as well as for The Departments of Highways, Lands and Forests, and others.

Further stores buildings for The Department of Public Works at North Bay, Hamilton, Brockville, London, Kingsville, Woodstock and Orillia.

For The Department of Reform Institutions at Fort William, a new laundry building and heating unit. At Burtch, a new building for the resident staff. At Burwash, a new building for the laundry, maintenance shop and stores. At Monteith there is a programme for construction, the replacing of army huts by permanent buildings, and a new paint shop. At Mimico, another new dormitory; at Guelph, a new staff residence; at Brampton the same thing, the construction of permanent buildings to replace the former army huts. At Bowmanville, a new 3-storey building for accommodation of 75 boys. This new work will approximate \$12.5 million.

In the Estimates, you will notice a new item under the heading of "Ontario Water Resources Commission" in the amount of \$2 million. That money is being placed there at the present time to start the Water Resources Commission, which has already done some pre-

liminary work. Some Estimates are completed for certain works, and apparently it will be recommended it should be carried out in the near future.

That is the programme for The Department of Public Works for the coming year 1956-57, and also gives a general picture of the work which has been completed in 1955-56, and a continuation of the work already started.

On vote 1,801.

MR. H. A. WORTON (Wellington South): Mr. Chairman, I would like to make a few remarks addressed to the hon. Minister (Mr. Griesinger). During the past few years there has been considerable building going on in the riding of Wellington South, and I would like to extend, on behalf of the city of Guelph, which I represent, my thanks for the co-operation we have received in regard to sewage disposal facilities.

The hon. Minister mentioned there will be considerable more building with regard to the reformatory, and I believe when the engineers were discussing the problem of sewage with the college, there was mention made about sewage facilities at the reformatory. I would like to suggest, if the hon. Minister sees fit, that his department "go along" with the city of Guelph in regard to the sewage disposal plant at the reformatory. I feel sure that some suitable arrangement could be worked out.

As hon. members will recall, there was some discussion the other day, in which the hon. Prime Minister mentioned a certain property in or near the city of Guelph, and may I say that one of the pitfalls which was met, and one of the reasons why the property was not considered, as suggested, was there was not adequate sewage facilities. The city of Guelph is badly in need of expanding the trunk sewer in the area of the reformatory, and I feel sure some agreement can be reached to extend the facilities, and at the same time provide service for the provincial buildings

MR. J. WINTERMEYER (Waterloo North): Mr. Chairman, if I may, for a moment, I would like to ask the hon. Minister exactly where he has pared his Estimates. I believe it is up exactly \$7 million over last year.

HON. MR. GRIESINGER: That is quite true. There is an item of \$5 million for additional capital expenditures, and \$2 million for new items.

MR. WINTERMEYER: In other words, the hon. Minister can explain exactly \$7 million in that fashion, \$5 million for capital expenditures, and \$2 million for water facilities, which makes exactly \$7 million. If the ordinary expenditures are up, exactly where have the Estimates been pared? Somewhere the Estimates must have been reduced to achieve that result. It is a good thing to reduce the Estimates, but I cannot see exactly where it has been done.

HON. MR. GRIESINGER: That may have been caused by the amount of carry-overs for work which is already started, but not completed.

MR. WINTERMEYER: Would that be reflected in the Estimates?

HON. MR. GRIESINGER: Yes, I think it would.

MR. WINTERMEYER: Mr. Chairman, perhaps I can simplify it. The total Budget for 1956-57 is exactly \$7 million higher than for 1955-56. The hon. Minister has said that was probably due to an increase of \$5 million in capital payments, and \$2 million appropriation for water resources. I understand the ordinary expenditures will be substantially reduced, due to the increased cost of maintaining the new buildings, therefore, somewhere the expenses must have been reduced in 1956-57, and I am not sure exactly where that has been done.

HON. MR. GRIESINGER: I think we will have to take them item by item to explain it. There are some deductions, I suppose, where items have been

cut down, but whether that would explain the entire difference, it is hard to say.

HON. DANA PORTER (Provincial Treasurer): There is an increase in ordinary.

MR. WINTERMEYER: There is an over-all increase of \$7 million.

HON. MR. PORTER: That is capital.

HON. MR. GRIESINGER: One is capital and the other is ordinary.

HON. L. M. FROST (Prime Minister): Mr. Chairman, what is the hon. member's question? There seems to be an increase on both sides. The ordinary vote this year is \$7,668,000 and last year the amount was \$5,770,000, was it not? The capital last year was \$36,775,000 and this year it is \$43,775,000. Frankly, I was wondering where the hon. Minister was going to get all the money to do these things.

MR. WHICHER: Get it from Ottawa.

MR. WINTERMEYER: Mr. Chairman, I notice that the government in 1956-57 Budget are using only one column, and demonstrating in that one column whether an item is statutory or is to be voted upon. That is unlike the previous Estimates. Would it be possible in the future to add a second column in which the previous year's Estimate would be given so that we may have an accurate comparison?

HON. MR. PORTER: Mr. Chairman, in this year's Estimates we have followed a new pattern. Certain changes have been made in the form of the Estimates, which are considered a much clearer way of bringing it forward, rather than have the ordinary items to be voted in one column, and the statutory items in the other. What we are really interested in is the total, so we thought it better to have it all in the one column. The statutory items are shown by the letter "S."

As to the numbering of the various items, the hon. members will note that in the Estimates for this year each department is given an allotment of 100 numbers. For example, in The Department of Public Works, the numbering starts with No. 1,801 and in The Department of Welfare it starts with No. 1,701. The reason for that is that when new items are added from year to year for these various offices, they can be added at the end and a comparison can be made of the year's Estimates, with those of the previous year. In that way item No. "1,801" next year will be item No. "1,801," the year following, and will continue in that way.

It was considered that an allotment of 100 numbers for each department would give ample room for expansion. Even when the Budget reaches \$1 billion, there would still be enough room, as there would be provision for 100 items for each department. It was considered advisable to do that, as there is being considered at present the obtaining of certain business machines, which will be put in as a kind of "automation," as it is called, and the numbering then will prove very convenient. That method has been adopted for simplification, but it is a little confusing this year as compared with last year. We do not want to cause any confusion to the hon. members.

HON. MR. FROST: That is one of the reforms under the new hon. Provincial Treasurer.

HON. MR. PORTER: It is much less confusing than it has been.

MR. H. C. NIXON (Brant): Mr. Chairman, I was about to ask this question of the new hon. Provincial Treasurer: I never could get it explained by the previous hon. Provincial Treasurer. The question is in regard to the Budget. What is the Budget for 1956-57? The hon. Prime Minister continues to refer to it as the "\$400 million Budget," but I do not see where he gets that amount. In regard to the various items in the Budget for educa-

tion, the hon. Prime Minister has referred to some of these things in the supplements to the Budget speech, where he has added the ordinary expenditure and capital expenditure together. That comes to a total of \$468 million. It has always been my submission that these are the amounts actually voted by the House, item by item, and they should be regarded as the Budget of accounts for the next year. That comes to \$647 million.

HON. MR. PORTER: That is the ordinary, plus the capital.

MR. NIXON: Is that not our Budget?

HON. MR. PORTER: That is the total Budget. However, we speak of the "Budget," and when we refer to certain ordinary revenues and ordinary expenses, that is one of the aspects of the Budget.

MR. NIXON: The hon. Provincial Treasurer will admit that the division in many cases of ordinary and capital is an arbitrary decision of a department.

HON. MR. PORTER: I am trying to make it less arbitrary. I am trying to get to the point where it will be clear. There always are borderline cases, where there are differences of opinion as to whether a certain item is properly "capital" or "ordinary." I could give several examples of that.

For example, in The Department of Highways, if there is a new road to be built, that is obviously a capital expenditure. You have to build the roadbed, build the road itself, and surface it and complete it. Definitely, that is capital expenditure.

The principle on which this government has operated for a great number of years is that it is quite legitimate to spread the cost over a number of years, and it is quite legitimate to borrow for that purpose. However, whenever we have had sufficient revenues, we have endeavoured to pay as much as possible

of that out of ordinary revenues. That has been done, and for some years past, as the hon. member will recall, we have paid an average of 65 per cent., of capital expenditures, out of revenue.

MR. WHICHER: How many years is it usually spread over?

HON. MR. PORTER: That is a little complicated, but I will endeavour to explain it if the hon. member wishes me to do so. First of all, however, let me finish with the former financial critic, of whom, for some years, I am always suspicious, in that he may have something in his mind, so I wish to be very careful.

MR. NIXON: I am not suspicious. I was being quite frank.

HON. MR. FROST: The hon. member kept after me for 12 years, until I had to quit.

HON. MR. PORTER: As soon as the hon. Prime Minister left the post of Provincial Treasurer, they called the hon. member off.

Mr. Chairman, of course, the total amount estimated to be expended is the \$647 million. There is no doubt about that. The ordinary expenditure is \$427 million and the capital expenditure is \$220 million.

Let me continue for a moment in regard to the problem of distinguishing certain items. I was taking an example from The Department of Highways. There may be a case where there is repaving to be done. It could be argued that the repaving would quite properly be "capital expenditure." On the other hand, accountants will argue that it is more in the nature of a "repair." It is a borderline case. It might be legitimate to call it "capital." In that case there would have to be a more or less arbitrary decision. We counted that as "ordinary expenditure," but it might be regarded as "capital expenditure." There are borderline cases of that kind.

Again, we make contributions to hospitals as "capital grants." We have al-

ways made them out of "ordinary expenditure," on the principle that the province has not an asset of its own, to set against such expenditure.

MR. NIXON: What about the capital for school buildings?

HON. MR. PORTER: That all comes out of ordinary expenditure, as that is part of the legislative grants, and is part of the grant which is paid to every school board. A portion of that consists of a certain amount of money which will go towards the payment of interest and capital as it becomes due — combined capital and interest.

MR. NIXON: And rural expansion of hydro?

HON. MR. PORTER: Rural expansion of hydro is being regarded as capital.

MR. NIXON: It is pretty hard to draw a distinction there.

HON. MR. PORTER: As I say, that is the way it is being done. There might be an argument that it should not be, but that is the way it has been done, and that is the judgment of those who have considered these things. However, I think on the whole there would be very little argument as to the total figures, the amount of money earmarked as capital, \$210 million odd. I should think there would be very little argument as to whether that should be a little more or less.

MR. NIXON: I know this is away from the particular branch.

HON. MR. PORTER: But it is useful discussion, I think.

MR. NIXON: Yes. There is a good deal of revenue derived from the sale of lumber from the Mississagi salvage. About a quarter of that is called "capital", and the rest is called "ordinary." When you are selling the same salvaged lumber, why should some of it be capital and some of it ordinary?

HON. MR. PORTER: I had better look that up and find out about it.

MR. R. MACAULAY (Riverdale): Well, you lost stumpage which ordinarily would have provided a sale from which a revenue would have been derived, in the form of stumpage dues, and so on, part of which goes under capital and part under ordinary.

MR. NIXON: I do not know about that.

MR. MACAULAY: The hon. member asked for an answer.

MR. NIXON: That is an answer, but I do not think it explains it at all.

HON. MR. FROST: That matter will, of course, come up in the Estimates of The Department of Lands and Forests. My recollection of that is that, in regard to the Mississagi salvage, the first year we put up, I forget the exact figure, but, say, \$1 million. We charged that to "ordinary account." Subsequently, they needed money for financing, and we advanced it by the way of "capital account." That money was repaid to us. The point where we would make or lose was on the amount of our original investment, and my recollection is that in the end, of the original investment of, \$1 million—or whatever it was—about 75 per cent. of it was paid back to us.

We will come to that, in the Lands and Forests' Estimates, and I think that will be the answer.

MR. R. M. WHICHER (Bruce): The statue in butter of the hon. Prime Minister, at the Royal Winter Fair; what would you call that, "political capital" or "ordinary"?

HON. MR. PORTER: I do not see anything in the Estimates about that.

HON. MR. DUNBAR: That is the surplus the hon. Mr. Gardiner had.

HON. MR. FROST: If the government paid for that, there will be trouble.

HON. MR. PORTER: That is entirely new to me, I do not know anything about this rural way of life. However, may I answer the question as to how far this debt is spread out. The hon. member for Waterloo North (Mr. Wintermeyer) discussed, in his address, certain aspects of this sinking fund. The sinking fund this year is set at over \$17 million—nearly \$18 million. It has been at that point, or thereabouts, for a number of years, as a matter of fact. I have not the figures here but I shall have them available, I believe they are being prepared, and will show exactly how the sinking fund payments over the years have worked out.

With a net debt of approximately \$700 million, a sinking fund to retire that debt in 50 years would be between \$13 million and \$14 million a year. That is the way it would work out. The hon. member for Waterloo North referred to a speech made by the hon. Prime Minister, when he was Provincial Treasurer, some years ago, in which he indicated that the sinking fund should attempt to do just that, that is, to retire the debt in 50 years. As long as there is more than \$14 million in the sinking fund, with a debt of \$700 million, that debt is being retired from year to year.

The sinking fund today has reached the point where the debt, as it was in 1943, has been very substantially reduced. It has been proceeding at a rate greater than would be necessary on a 50-year basis.

Then, of course, there are new capital works, which come in from year to year and there is new debt when there is insufficient revenue to pay for all of the capital outlay.

While the present debt is somewhat higher than it was a few years ago, it must be remembered that that is only relative because, when the debt was \$500 million, we had revenues of about \$100 million. Today, with the debt at \$700 million, we have revenues of over \$400 million, and that must be taken into consideration. A great deal of the

old debt is paid off, and the present debt represents a certain amount of new works and new assets which are set up against it. Capital debt, of course, represents assets, and has to be looked at in that way.

So it is true that in an expanding province with limited revenue resources, if we are going to meet the legitimate demands of the public for capital works, in the way of teachers' colleges, highways, and the multitude of buildings as outlined by the hon. Minister of Public Works (Mr. Griesinger) tonight, there is only one way of doing it, and that is by paying as much as you can as you go, to the limit of your revenues, and, within safe limits, to borrow.

The amount which is borrowed today represents capital investment, which is not going to be used up this year by this year's taxpayers. It is quite legitimate to spread it over to future taxpayers, who will be using the road or the building in the years to come. It is just a question of revenue resources, and the amount considered urgent and necessary for the development of this province.

We should look with confidence towards the future, with the growth of population and industry and we must bear in mind the fact that these investments will in the future make it possible to receive larger revenues from our own sources, even with our own limited sources of revenue. Because, Mr. Chairman, every highway which is constructed means more automobile traffic, and greater gasoline taxes. They are investments in so many different ways and they are, in another respect, actually investments which will produce increasing revenue in the years to come.

Therefore, I do not think there is anything to fear. I think the sinking fund provisions are more than adequate, and we think that is a sound view.

The Highway Reserve Account, which has been mentioned, simply sets aside a certain amount of money out of the revenue, when we have sufficient revenue to do so, which goes toward the payment of capital works in that year. I must say I think that is a very sound

way of doing business. I think it would be very foolish to use that money for some new type of recurring expenditure, and add that much more to the debt. Every dollar we put into the Highway Reserve Fund is a dollar we do not have to borrow for capital works that year.

MR. P. MANLEY (Stormont): Mr. Chairman, we are voting this year \$51,443,000 for public works. Is all that money actually going to be spent this year? Also, in other years as well, we have voted certain sums of money to different departments. Is all that money actually used by a department? Or, if it is not, what becomes of the balance?

HON. MR. GRIESINGER: The balance reverts at the end of the year. However, there is always a big carry-over for work which is started, but will not be completed until the following year.

HON. MR. PORTER: I think the question the hon. member asked was concerning having an Estimate of so many million dollars for capital works, and not spending it all.

MR. MANLEY: I did not say just "capital works." I said we are voting here a total Budget of \$51,443,000 for public works. Is that much spent this year, in ordinary revenue, by The Department of Public Works?

HON. MR. PORTER: Well, we always attempt to live within the Estimates, and if they do not spend all the money, it goes into the surplus at the end of the year. Sometimes the department does not spend all the money estimated. After all, an Estimate is an estimate, and various circumstances may arise in the course of a year where all the money may not necessarily be spent. You may estimate some item for emergencies, for instance, and the emergencies do not occur as expected, and you save that much money. In some cases emergencies occur such as the fires last summer up in the north country and

there was a very large amount which had to be added by treasury board orders to the amount estimated to pay for that, so they overspent on that item because of the emergency which was not predicted at the time of the Estimates.

MR. NIXON: Yes, but the money will have to be re-voted next year, if it is not spent this year?

HON. MR. PORTER: That is right, yes.

Votes 1,802 to 1,811, inclusive, agreed to.

MR. T. PRYDE (Huron): Mr. Chairman, I would like to say a word here. In the hon. Minister's remarks, previous to presenting his Estimates, he made reference to new government buildings, and in particular to the intention of building a new school for retarded children somewhere in the southwestern part of Ontario. He answered a few questions as to what would be required and so forth, regarding site, availability, sewage, water and so forth.

I would like to bring to the attention of the hon. Minister—although I realize he is not going to say anything about it tonight—but I would like to bring to his attention, and to the attention of the government, that the county of Huron has everything he mentioned. The school could be built near the shores of beautiful Lake Huron, and we would have beautiful highways leading to it, and can provide all the requirements mentioned by the hon. Minister. I hope when the decision is made it will be in favour of Huron County.

We have no government buildings there, of any account, except possibly a jail, and I am not sure but what that is owned by the county. We have nothing, and I would like to put forward the claim of Huron County. This is not the last you will hear of it. I would also say that land will be very much less expensive than in the vicinity of Chatham, or any of the other places being considered.

Vote 1,812 agreed to.

On vote 1,813:

MR. T. D. THOMAS (Oshawa): Mr. Chairman, last year the amount was \$1,000 and this year it is \$7,000, that is the grant towards the cost of flood control, drainage, etc.

HON. MR. GRIESINGER: I think this completes the final payments, as per an agreement.

MR. WHICHER: Item No. 4, re \$2 million: what is going to happen if there is a flood of applications for such disposal plants which the government is going to finance? Will it be sufficient or will you put more money into the fund if necessary?

HON. MR. GRIESINGER: That would probably have to be voted by Supplementary Estimates or something like that. I am not in a position to make a statement at the present time. The commission will be set up, and it will take a while to get organized, and that is to give them a start, at least.

MR. NIXON: Is there any policy as yet as to the engineering this commission will do for the different municipalities? Will that be paid for by the commission, or will the municipalities have some of this work done for them?

HON. MR. GRIESINGER: No, I think that would be spread over.

MR. NIXON: You mean that the province will pay it, that is, the broad picture of engineering, or do you mean it would be charged against the individual municipalities?

HON. MR. GRIESINGER: I imagine it would be spread over the cost of the particular project.

MR. WHICHER: In other words, the municipality really pays for everything. It just borrows the money.

HON. L. M. FROST (Prime Minister): Mr. Chairman, I have not the letter here I received from Rt. hon. Mr. St. Laurent, but I will be very

glad to get it for the hon. member. I took this matter up with him last December, and received a letter dated March 8. As a matter of fact, it missed me as I was going to Ottawa. He was kind enough to give me a copy of the letter at Ottawa. I was pointing out the immense charges we will have, in facing problems of pollution and industrial waste. I would be very happy to let the hon. member have a copy of the letter which was sent to me. He said he was greatly concerned—as were we—about this problem, and he thought the very heavy costs might be paid on the basis of usage of the system by individual users, both for water and sewage.

MR. WHICHER: That is the way it is done now.

HON. MR. FROST: I did not know whether the hon. member would agree with that. I gathered the other day he did not agree. I must admit my own feeling is that, owing to the cost of the great pollution problem in Ontario, were we able to make a more realistic arrangement at Ottawa, in connection with taxes arising from productivity, that a portion of that cost might be taken in some way or other by the Ontario government.

However, I will show the hon. member Rt. hon. Mr. St. Laurent's letter, and if he disagrees with what we are suggesting here that it should be paid by the municipalities, it will necessarily follow that he will have to disagree with Rt. hon. Mr. St. Laurent as well as with what we are doing here.

MR. WHICHER: The truth is the municipalities have been paying this 100 per cent. in the past, and as far as the provincial government is concerned, they are going to pay it 100 per cent. in the future.

HON. MR. FROST: That is the way it would look, but what is proposed is a very great change from the old system. Under the old system it was left to individual municipalities. It is true that, through the Ontario Municipal Im-

provement Corporation we provided funds for such municipalities as required by them, at something approaching our cost. I might say that system was adopted in Alberta this year. They reverted from another system, so it would appear that the system has some merit.

This new proposal provides for a partnership of municipalities, under one system, to pipe water from the Great Lakes or from the source of the water, and to pay for it on a community basis. It also provides for the same arrangement in connection with sewage.

MR. WHICHER: Could the hon. Prime Minister give an example? I can understand about water. That is certainly co-operative, but what about sewers?

HON. MR. FROST: For instance, in the city of Ottawa you have the city itself, and the adjoining communities, Rockcliffe, Eastview, and several others in one group.

MR. WHICHER: They do not have that now.

HON. MR. FROST: No, they do not have that. It is a case in point. Of course, the case which was dealt with, in other legislation, and on much the same basis, was the problem in Metropolitan Toronto. There are other communities.

I am not so sure what I am suggesting might not apply to the valley of the Grand River. The hon. member for Waterloo North (Mr. Wintermeyer) would be more familiar with that problem than I, but it is quite possible that is where there are groups of communities such as Kitchener, Galt, Preston and others, each with one sewage disposal plant, a very expensive system since one plant might take care of more than one community. However, that is an engineering problem, but I cite it because the valley of the Grand River presents a difficult proposition. There very probably may be other areas in which that situation would apply.

It might apply in the Windsor area where there are several communities,

starting with Belle River, and extending to Amherstburg. There are several communities there that have practically grown together. Those are cases where I think sewage disposal could be by a partnership arrangement, which would very much reduce the cost. At least, that is the feeling of the engineers who have advised the commission.

MR. T. D. THOMAS (Oshawa): One of the facets of it is, of course, it will make engineering facilities available to the municipalities in a group, and therefore will make it a little easier for them to borrow, but I think you will concede the point they still have to borrow.

HON. MR. FROST: That is right. On the other hand there is the fact that the commission, in some of these cases, would probably finance the proposition, and the money would be rebated over a period of perhaps 50 years, on some sort of a user basis.

MR. NIXON: That would apply to the disposal plant, but not to the sewers. That is in the municipality.

HON. MR. FROST: No, not to the local system itself.

MR. NIXON: Our own town of Paris and the city of Brantford have tremendous problems in this connection. They have been ordered time after time by The Department of Health to put their houses in order, but the magnitude of the cost deters them from starting anything.

HON. MR. FROST: I do not know whether this would be the case in a town such as Paris, but I think the hon. member will agree with me the time has come when these orders have to stick. I think that is agreed. It may be that the time has arrived when, if these things are not done, a mandatory order would have to be issued. Perhaps the commission would have to build the disposal plant and charge it back to the community, over a period of years.

This matter of sewage disposal is a very serious one. The letters I tabled here last Thursday indicate the extent to which it is regarded as a serious matter internationally, and I think it is a very serious matter from the standpoint of conserving the utility of our waters in the province of Ontario, the beauty of our countryside, and the preservation of many things which disappear, if you allow the streams to become polluted.

MR. WINTERMEYER: It is not *apropos* to The Department of Public Works as such, but may I ask the hon. Provincial Treasurer (Mr. Porter) whether he intends to bring the schedule of the sinking fund before us?

HON. MR. PORTER: Yes.

MR. WINTERMEYER: We will have an opportunity to talk that over?

HON. MR. PORTER: Yes. As a matter of fact, the auditor has one prepared, which I will make available.

HON. MR. FROST: In connection with the speech of 1944, I have more than lived up to it. I think the new hon. Provincial Treasurer will agree, and he is a critical fellow.

MR. WHICHER: Not of the hon. Prime Minister, he is not.

HON. MR. FROST: You do not know the half of it.

HON. MR. PORTER: I have no reason to be.

HON. MR. FROST: At that time I did not propose that we should pay up to 60 per cent. of our capital cost, out of current earnings. On the other hand, in 1944 I quite admit I had no idea as to what the magnitude of the financial operations of this province would be in the year 1956.

I can say to the hon. members I very well remember sitting on that side of the House with the father of the hon. member for Riverdale (Mr. Macaulay), in the year 1943, and I do not doubt the

hon. member for Brant will recollect also, that Mr. Macaulay, after some debate and crossfire—the then Treasurer I believe was Mr. Gordon, and I think Mr. Conant was the hon. Prime Minister—said, “You have reached a \$100 million Budget.” In 1943, that was considered to be a dramatic point in Ontario; when a \$100 million Budget had been built up.

Twelve years after that date we have here a Budget which I think is \$437 million on ordinary account. That is leaving out the capital items.

I remember expressing concern to Mr. Drew, when he was Prime Minister, when he reached the \$200 million mark. As a matter of fact I said, “You had better be a little bit more careful how you spend money.” We have reached \$437 million today, and I think hon. members will agree that with the tremendous expansion and growth of this province increased costs are inevitable.

I would say to the hon. member for Waterloo North (Mr. Wintermeyer), in connection with our capital requirements, that we are paying, and have paid over the years, 60 per cent. from ordinary account. As regards the other provinces: most of them, in that period of time, have been able to balance their accounts on an over-all basis. Probably, on an average, we have paid less from ordinary account on capital account than any others.

The other side of the picture is that no province in Canada has in any way approached our enormous capital investment. I am speaking of public investment.

As a matter of fact, it is as the hon. Provincial Treasurer has said, to provide the amount we have from ordinary account, to keep down our net debt, is an achievement in itself. Nevertheless, in regard to the other provinces, we are not approaching what they have done in the way of paying their capital accounts from current revenue. That is about the picture.

As the hon. Provincial Treasurer said, we have a debt of \$700 million. Today

the ratio is about $1\frac{3}{4}$, as compared with ordinary revenue account. Twelve years ago it was about 1 to 5. To be placed in the same relative position as regards debt, it is arguable that to be in the same position we were in 1943, we could have \$2 billion of ordinary debt, using the same ratio between revenue and debt.

I think that would be wholly undesirable. Everything we can pay off from current account in these days, without unduly burdening our people, and applying it to capital account, we should do, and we have been following out that procedure.

I will admit to the hon. member we have far exceeded the plan outlined in 1944, in which the debt was to be amortized over a period of years in the ordinary course, but I think hon. members will agree, because of our borrowings, it has been necessary to strengthen our credit in every possible way to maintain a good credit rating with the many people with whom we have to do business.

MR. WHICHER: I was very interested in a comparison of the Budgets of today, and 12 years ago. I wonder if, for once, the hon. Prime Minister would give a simple answer, “Yes”, when I ask him if it is not far easier to give more school grants with a \$400 million Budget than with a \$100 million Budget. Will the hon. Prime Minister answer that question?

HON. MR. FROST: The hon. member has asked a very leading question.

MR. WHICHER: There are not many members of the press present. Perhaps the hon. Prime Minister would answer it.

HON. MR. FROST: I point out this fact: it is easier, of course, subject to this—and this is the answer to the hon. member. If revenues are 4 times greater, it necessarily follows it is simple to pay 4 times as much in grants. Will the hon. member not agree?

MR. WHICHER: Not necessarily. It should be 8 times as much.

HON. MR. FROST: We could pay 4 times as much in grants, which is the ratio for our revenue. But we are paying $10\frac{1}{2}$ times as much.

MR. NIXON: May I ask the hon. Provincial Treasurer, before we get into more detail with respect to the money received from Ottawa, under the tax rental agreement, which was \$147 million for a complete year, can the hon. Prime Minister break that down into the amounts of corporation taxes, income taxes, etc.?

HON. MR. FROST: We could do that.

MR. NIXON: And are there any succession duties in that at all?

HON. MR. FROST: No.

HON. MR. PORTER: The hon. member's question referred to the rental payments which come in, amounting to some \$100 million approximately. This year it does not include any succession duties. We collect our own succession duties in their entirety.

MR. NIXON: Is there no balancing with Ottawa? There was at the start.

HON. MR. FROST: The rental payments under the present agreements are really equal. The other night the *Toronto Star*, in an editorial, said that we received \$138 million which Quebec did not receive. That was an obvious error. What we are receiving at the present time in rental agreements under the agreement which will expire on March 31 next year, really amounts to this, when you take it apart. Our succession duties, the amount of corporation tax at an $8\frac{1}{2}$ per cent. rate, income taxes at $5\frac{1}{2}$ per cent., are included. That is about the way it works out.

It is true there are complications in that formula. There is an escalator provision which affects it.

For some years, under the present rental arrangements, we would be somewhat ahead. In other years, we would

be somewhat behind, but taking the 5-year period — and I was just discussing this with the hon. Provincial Treasurer a day or two ago — it would actually work out that if we had stayed in the field ourselves, and had taken the ordinary statutory subsidy, which was in effect at the time of Confederation, with our own equalization debt rates, and with our old rates in corporation taxes, amounting to approximately $8\frac{1}{2}$ per cent. Although it was on the basis of 7 per cent. plus business tax, it worked out at an average of $8\frac{1}{2}$ per cent. If we had done that, and they had returned to us what they wanted to do, back in 1952, that is, to collect personal income tax at 5 per cent., on an agency basis, we would have been in the position, almost exactly, as we have been under the rental arrangement.

You may ask why we entered into that arrangement. The answer is there was no other way we could collect 5 per cent. personal income tax. It might be asked what difference is between that arrangement, and the new one. It works out, that succession duties are identically the same. Our corporation tax collections were up an average of $8\frac{1}{2}$ per cent., counting 7 per cent. straight tax, in place of business tax, as 8 per cent. Under the new arrangement, we would receive 9 per cent.

Under the old basis, we received the equivalent of 5 per cent. personal income tax. Under the new arrangement, 10 per cent. The gain can be reduced to one-half of 1 per cent. on corporation tax, and 5 per cent. on personal income tax. That is where we would make the gain, under the new deal, provided business remains good.

Although I have given these simple figures, we say it is not realistic, from the standpoint that succession duties are left out of the discussions altogether, because we are receiving the rates we have had now for many years.

MR. NIXON: Have you ever compared them with what Ottawa receives from Ontario?

HON. MR. FROST: Yes, we have. Under our rates, we would collect \$5 million a year more than it does under their rates.

MR. NIXON: It is just about 50-50.

HON. MR. FROST: Yes. Leaving succession duties out of the picture, under the old arrangement we received $8\frac{1}{2}$ per cent. corporation tax; they place it at 9 per cent. Under the present conditions, we say that should be 15 per cent.

In personal income tax, there is an increase from 5 per cent. to 10 per cent. We say that should also be 15 per cent. British Columbia contends it should be 20 per cent. because they were in the field, and it has worked out at an average rate of 20 per cent. before the agreements of 1942.

MR. T. D. THOMAS (Oshawa): This is very interesting. Could the hon. Prime Minister tell us the amount of money we receive back from the federal government, as our part of the income tax and the amount of money we receive as corporation tax? Is that separated?

MR. NIXON: The hon. Prime Minister said he would break it down for us.

HON. MR. FROST: I have the figures. I can give you an approximate breakdown of them. Prior to the agreement of April 1, 1952 — and in that year we came into the agreement—we collected \$92 million in corporation taxes. We also collected in that year approximately \$20 million in succession duties, making a total of about \$110 million.

Having made due allowance for succession duties, which we collect ourselves—I am very glad to say we remained in that—under the agreement we entered into on April 1, 1952, we gained about \$25 million, on a yearly average. In some years it might have been \$20 million, in other years \$30 million, but, on the average, it was \$25 million.

That was just about equivalent to the 5 per cent. personal income tax. That is where we gained. The federal government would not collect that for us on an agency basis. The hon. member for Brant knows that the remarkable fact is that, under the income tax his Party introduced in 1937, they agreed to collect income tax for Ontario, and did so collect it for a fee of \$80,000 a year. They refused to do that in 1952, because they would not collect it on an agency basis.

At that time, I thought it was a great mistake to isolate the province of Quebec. I felt if there had been an agency basis for collecting income tax, it would have solved the difficulty. However, that was not acceptable at Ottawa. Therefore, we went into the agreement, because I could not justify our people losing \$25 million a year.

In the tax agreements before 1952—from 1947 to 1952—we were a very considerable sum ahead over a period of 5 years, by staying out of the agreements, because the proposals were completely unrealistic. The agreement which we entered into in 1952 was what was known as the Ontario Offer. It was an offer based on the actual revenues of 1948, with an escalator clause. I think that gives a clear picture of the situation.

MR. H. C. NIXON (Brant): With reference to the agency charge—does the hon. Prime Minister suggest 2 per cent?

HON. MR. FROST: The federal government suggested it.

MR. NIXON: That would be a charge of \$4 million for collecting \$200 million.

HON. MR. FROST: I thought it was too much. In regard to the corporation tax, we went back into the field in 1947 and remained there until 1952. The last year we were in that field, in 1951-52, we were able to collect corporation tax for between a quarter and a third of 1 per cent. It might cost half of 1 per cent. and it looks to us that to do it on an agency basis,

at 2 per cent. is rather "out of this world."

On the other hand, in the case of personal income tax, I agree that it is more complex. But 2 per cent. on personal income tax runs into a very great deal of money. It will cost something probably on the order of \$1 million to collect that money for us, which is done really by just an additional line or two on the income tax forms. However, we hope to negotiate on that point. When we go down to negotiate, I will take the hon. member for Brant with me.

MR. T. D. THOMAS (Oshawa) : If the income tax amounts to \$90 million, it means that the federal government collects \$1,080 million.

HON. MR. FROST: That tax is on the net taxable income. Our tax would be 10 per cent. or 8½ per cent.; their tax would be 45 per cent. or 46 per cent.—something of that sort.

MR. THOMAS (Oshawa) : I understand the point.

Vote 1,813 agreed to.

Hon. Mr. Frost moves the committee rise and report progress.

The House resumed; Mr. Speaker in the chair.

MR. J. F. EDWARDS (Perth) : Mr. Speaker, the Committee of Supply begs to report it has come to certain resolutions, begs leave to sit again, and moves the adoption of the report.

Report agreed to.

Hon. Mr. Frost moves that, notwithstanding the provisions of Rule 2 of the Assembly, the House will meet tomorrow at 2 o'clock in the afternoon.

Motion agreed to.

HON. MR. FROST: Mr. Speaker, when the House meets tomorrow at 2 o'clock, I would like to call as the first Order, the report of the Committee on Air Pollution. It will be presented and can be followed by a debate on that subject, if the hon. members are prepared. If not, we can adjourn the debate, as we have done on previous occasions.

Secondly, we will take the Estimates of The Department of Mines. If there is the opportunity, there will be further debate on Bill No. 112, the Hospital Services Bill; and then continue the Budget debate. I hope we may adjourn about 5 o'clock tomorrow.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10.35 of the clock, p.m.

ERRATUM

(March 14, Afternoon Session)

<i>Page</i>	<i>Column</i>	<i>Line</i>
1036	2	34

Correction

Change "Mr. Gibson" to "Mr. Gisborn".



Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Thursday, March 15, 1956

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

THURSDAY, MARCH 15, 1956

2 O'CLOCK, P.M.

And the House having met.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Motions.

Introduction of Bills.

ONTARIO FUEL BOARD ACT

Hon. D. Porter moves first reading of Bill intituled, "An Act to amend The Ontario Fuel Board Act, 1954."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, this amendment is designed, in the first place, to bring within the purview of the Act the propane and bottled fuels. It provides for the passing of regulations with respect to the standards for installations, for the use of bottled fuels such as propane, which is becoming widely used as a fuel at the present time.

In the second place, this Bill will make provision for a set of regulations, which are being drafted now, whereby the fuel board will be in a position to set definite standards for installations of all gas equipment in homes and elsewhere. In the course of the activity of this board, they have found that it is highly necessary for them to have this power under present circumstances, as

the purchase of such equipment has increased on a wide scale.

In the third place, the Bill will enlarge to some extent the powers with respect to the making of charges for industrial users. It will also provide for a meter charge. It was always intended that the fuel board should be able to collect revenue from the people, including the corporations who benefit by the distribution of gas, and any other fuel over which they have control, sufficient to cover the cost of the board.

Certain methods have been used up to the present, but this Bill increases the powers of the board to some extent. It provides, in addition, a meter charge which I believe will be not more than 10 cents per year. It also deals with certain aspects of the question of charges in that respect.

TILE DRAINAGE ACT

Hon. Mr. Porter moves first reading of Bill intituled, "An Act to amend The Tile Drainage Act."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, under the present Tile Drainage Act, loans cannot be made to members of councils. This Bill will allow loans to be made to a member of council, and provides that he will not thereby be disqualified as a member of council, but that he cannot vote on a question affecting an application for a loan in which he has an interest.

MOTOR VEHICLE FUEL TAX ACT

Hon. Mr. Porter moves first reading of Bill intituled, "An Act to Impose a Tax on the Purchase of Fuel other than Gasoline for Use in Motor Vehicles."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, this Bill does not increase the tax on fuel, other than gasoline. It is designed for administrative purposes. At the present time, there is a certain amount of diesel fuel which is used by certain motor vehicles, and the ordinary way of collecting the taxes on fuel such as gasoline does not apply. At present, the tax on this particular type of fuel is not collected in the ordinary way at the time of sale by the dealer. Instead, he sends a notice of the amount of sales to the Gasoline Tax Branch, and the branch then bills the purchaser for the amount of tax. This method is unsatisfactory to all concerned.

This Bill, together with another Bill, which I am about to introduce as an amendment to The Gasoline Tax Act, removes this type of tax from that Act and sets up a separate system under which the purchaser will pay the tax to the dealer at the time of sale or, in certain particular circumstances, at a later time, when the amount of fuel he has used in motor vehicles is determined.

The collection procedures will be similar in principle to those in use for collecting the amusement tax under The Hospitals Tax Act.

THE GASOLINE TAX ACT

Hon. Mr. Porter moves first reading of Bill intituled, "An Act to amend The Gasoline Tax Act."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, aviation gasoline, jet fuel, fuel oil, liquid petroleum gas, and other products designated in the regulations are added to the products

which are excluded from the description of "gasoline", thus exempting them from the tax under the Act.

At the present time the purchasers of these products must pay the tax, and then may claim a refund.

These amendments are complementary to the Bill I have already introduced.

This will overcome a great deal of expense which now prevails in the collection and refunding. At the present time, when the classes of fuel I mentioned are taxed, and where exemption is claimed, the same procedure is applied as to the farmer who uses gasoline in his tractor. So far we have not been able to devise any method of dealing with that. If we can devise a more satisfactory method, we will certainly do so.

It was considered possible by the definitions of these classes of fuel we will be able to exclude them from taxation without having to tax them and then pay a rebate. It is simply a matter of procedure which we think will improve the administration of the Act.

THE LINE FENCES ACT

Hon. W. A. Goodfellow moves first reading of Bill intituled, "An Act to amend The Line Fences Act."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, I am informed that the fence viewers have not received an increase since about 1877. We suggest that the municipality may now increase the fee from \$2 to \$5, but not more than \$10.

AN ACT TO ANNEX BURLINGTON BEACH TO HAMILTON

Hon. Mr. Goodfellow moves first reading of Bill intituled, "An Act to Annex Burlington Beach to the City of Hamilton."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, by an Act of the Legislature of 1923, The Burlington Beach Act, it was established as a municipality, more or less, but in effect it was the only remaining Crown town in Ontario, and has been operated by a commission since 1923.

At that time it was a summer resort. Since then it has entirely changed, until today it is a municipality of 3,500 people.

It was felt, due to its location adjacent to Hamilton Bay, and with the growth of the Hamilton metropolitan area, the time has come, in order to make proper planning for the development of the entire area, and since it entirely surrounds the city of Hamilton, that as of January 1, 1957, the beach will be annexed to the city of Hamilton.

I might say also that in this annexation there is a small part of Nelson Township, which borders Hamilton Bay, included, which is undeveloped, and also a short strip of the town of Burlington which extends at the present time to the boundary of Burlington Beach proper. This annexation has been discussed with all the municipalities concerned.

THE MUNICIPAL ACT

Hon. Mr. Goodfellow moves first reading of Bill intituled, "An Act to amend The Municipal Act."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, there are some 20-odd suggested amendments to The Municipal Act which have been submitted by the various municipal associations and municipalities for the consideration of the Legislature. This will be going to the Committee on Municipal Law where it will be dealt with on its merits.

THE CHILD WELFARE ACT, 1954

Hon. L. P. Cecile moves first reading of Bill intituled, "An Act to amend The Child Welfare Act, 1954."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, this Bill includes a number of amendments to parts I and II of The Child Welfare Act, 1954, and a complete revision of part III concerning the protection of children born out of wedlock.

Sections 1 to 7 of the Bill are the amendments to parts I and II. Several of them are merely for clarification of certain sections which have been questioned since the Act went into force a year ago this past January. Perhaps I should add a word or two of explanation about 3 of the more important sections.

Section 3 of the Bill provides for a consolidation of annual provincial grants to a children's aid society which will replace the present annual grant of \$1,000, \$1,500 or \$2,000, the grant of 25 per cent. of the amount obtained each year by a society by means of private donations and the grants made for travelling expenses in connection with various types of investigations.

The new consolidated grant which is to be prescribed by regulations will be designed to strengthen the preventive or protection services of children's aid societies. The proposal is that each society will receive a grant in proportion to the number of the staff who are engaged in rendering services to families in order to prevent them from breaking up in the first place. It is anticipated that the new grants will mean a net increase of \$80,000 in provincial grants with better distribution of the funds between the larger and smaller societies.

Section 3 also provides a new capital grant for children's aid societies to assist them in the construction or purchase of buildings.

In relation to section 5 a separate society has been formed to provide services to Catholic children in Hamilton and it is expected that the jurisdictional area of the two Toronto societies will be altered to take in all of the Metropolitan Toronto area. This section provides the necessary statutory authority to transfer the wardship of children already in care to conform with the changes in jurisdiction.

Section 7 is designed to clarify the position of foster parents in relation to adoption applications for foster children in their care.

Sections 8 to 11 of the Bill are the revision of part III. The major changes in principle are:

1. Judicial responsibility will be transferred from the county or district court to the juvenile and family courts. The latter already handle deserted wives' and children's maintenance cases which are similar in nature.

2. Administrative responsibility will be decentralized from the director of child welfare for the province to the local directors of children's aid societies. This will eliminate present costly duplication in administration since children's aid societies act for the director in dealing with the mother, tracing those in arrears, etc.

3. A new type of agreement between the mother and putative father of a child born out of wedlock will be introduced replacing the present type of agreement between the putative father and the director of child welfare for the province. The new type of agreement will be made between the mother and a local director of a children's aid society on the one hand and the putative father on the other.

4. Payments under an agreement will be made by the alleged father to the local director who will then turn the money over to the person having custody of the child.

5. Affiliation proceedings against putative fathers will be provided for in a manner similar to the present Act except they will be taken in juvenile and family courts.

6. Where an affiliation order is made against a putative father, provision will be made for enforcement of the order in a manner similar to that provided for the enforcement of a maintenance order made against a husband or father under The Deserted Wives' and Children's Maintenance Act.

7. Payments under an affiliation order will be made by the father to the

court which will then turn the money over to the person having custody of the child.

8. Provision is made for the transfer of all present orders and agreements to family and juvenile courts and local directors of children's aid societies, respectively.

By way of explanation on this revision Mr. Speaker, I want to say that our main concern has been the ineffective and costly procedure in the collection of maintenance payments from the fathers of children born out of wedlock. Unmarried mothers and their children have received and will continue to receive the fullest possible measure of counselling and guidance from children's aid workers and the staff of my department.

Last year a careful study of this phase of child welfare was carried out to determine ways and means by which the method of collection that has been centralized in the child welfare branch of the department since the Act was passed in 1921 might be simplified.

When the father of a child born out of wedlock failed to meet his financial obligations for maintenance of the child under an agreement or a court order the practice has been for our branch to write to the children's aid society in the area and request that they try to make the collection or ascertain why the payments were in arrears. As the number of unmarried parent cases increased, an increasing number of payments have fallen in arrears either because the father could not be located, or, if he was located, negotiations with him have been extended over long periods of time without too much success. It should be noted that despite the difficulties more than \$200,000 was collected throughout the province in 1954.

Following the study and at the request of the hon. Provincial Treasurer (Mr. Porter) a committee consisting of representatives of The Departments of the Attorney-General, the Treasury and my own was asked to review the legislation. The proposed revision is based on their recommendations.

THE FINES AND FORFEITURES ACT

Hon. A. K. Roberts moves first reading of Bill intituled, "An Act to amend The Fines and Forfeitures Act."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, this Bill deals with cases where a motor vehicle or other property has been seized and forfeited to the Crown by reason of some Statute, such as The Liquor Control Act or The Highway Traffic Act, and it turns out that the particular property has a lien, such as a chattel mortgage, or something like that, against it in the hands of a perfectly innocent mortgagee or claimant.

In that event, if it is established to the satisfaction of the Crown that the claim is valid to the extent that the proceeds of the sale of the property are available, these prior claims can be compensated or met.

THE POLICE ACT

Hon. Mr. Roberts moves first reading of Bill intituled, "An Act to amend The Police Act."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, this is an amending Act. I am sure all hon. members of the House are aware our police, by law, do not have the right to strike, and the larger police forces have compulsory bargaining and arbitration procedures for their protection.

The purpose of the arbitration and bargaining provisions is that members of the police force may give notice to council, or to the Board of Police Commissioners, that they wish to bargain for a specified remuneration, working conditions or pensions, and request that a meeting be arranged. If the parties cannot agree after bargaining, they may go to arbitration, each appointing his own arbitrator, and they, in turn, appointing a third.

The Statute contemplated that all this would be done within proper time limits, but there have been a number of cases where, due to various reasons, this has been a protracted procedure. One purpose of this Act is to make the bargaining and the arbitration proceedings more expeditious.

Bargaining, under this Act, must commence within 120 days from the date upon which the request is made.

Each party in the event of arbitration must appoint a representative to the Board of Arbitration within 30 days, and the Board of Arbitration must consider the matter within 30 days of the date of its constitution, and give its decision within 60 days of that date.

In the event of failure of any party to make an appointment of an arbitrator, as prescribed, then the Attorney-General may make that appointment and the parties by agreement, or with the consent of the Attorney-General may extend any of the times prescribed.

The Act also provides the collective agreement must be reduced to writing.

It also provides that deputy chief constables will be removed from the collective bargaining machinery. At the present time chief constables only are excluded. It is considered deputy chief constables as well as the chief constables constitute an essential part of management, and for that reason this provision has been made.

Provision has also been made for compulsory arbitration for small forces. At the present time, small forces can follow this procedure under the present law and if they cannot agree amongst themselves there is no final and binding procedure. The Act now provides that where bargaining fails in the case of a force with less than 5 members at the present time an application can be made to the Attorney-General to investigate the situation and make a report, but that report is not binding. The Bill provides for the alternative of arbitration before a single arbitrator. The procedure and effect is similar to that governing arbitrations for the larger forces.

The Bill also provides for a single arbitrator to be appointed to deal with disputes, once the agreement has been entered into, in the case of all forces, to deal with interpretation of the agreement, decision, or award.

MR. SPEAKER: I would like to welcome to the Assembly a group of students from Valley School, West Flamborough, students from No. 1 township area of Nelson, Burlington, also from Mitchell High School, a group of boys from the Toronto Psychiatric Hospital, students from the University School of Nursing, and a group of ladies from the Langford Women's Institute, in the riding of Brant.

Presenting reports by committees.

MR. A. H. COWLING (High Park): Mr. Speaker, I beg leave to present an interim report of the select committee appointed to examine existing legislation and practice in relation to smoke control and air pollution in Ontario.

Before presenting this report of the select committee, I would like to pay special tribute to the hon. Minister of Health (Mr. Phillips), who has been most helpful and co-operative with the committee in its dealings with this very important subject. As a matter of fact, it was his executive assistant, Dr. Fred Evis, who has been acting as our very efficient secretary, and has been most helpful in the preparation of the report of our studies. We have also had the technical assistance of Mr. Harry Belyea, industrial engineer, of The Department of Health, and Mr. Chas. Newbury, who is associated to the Ontario Research Foundation.

I do not intend to read this complete report. We have had a long and heavy session to date, and I do not think any hon. members would appreciate my reading the whole report, but I will refer to some parts of the report which I feel are significant, and which I think will give the hon. members an idea of just what we have been doing.

"To The Honourable the Legislative Assembly of the Province of Ontario.

"HONOURABLE MEMBERS:

"We were appointed on September 8, 1955, during the First Session of the Twenty-fifth Legislature, on motion of hon. L. M. Frost, seconded by hon. D. Porter, with the following terms of reference:

To examine existing legislation and practice in relation to smoke control and air pollution in Ontario with particular reference to the installation and maintenance of equipment to control smoke and air pollution and methods and ways of extending public information in connection therewith.

"Since our appointment we have diligently pursued our studies of this matter, but there has not been sufficient time to either finish an adequate general survey of the problem, or to inspect the particular conditions which exist in several Ontario municipalities where inspections are desired. We have nevertheless gained a vast amount of knowledge about air pollution and all of us realize that it is by no means a trivial and unimportant problem. On the contrary, it is one which affects directly or indirectly every citizen in Ontario and it is one which must be faced squarely, handled competently and fearlessly, and eradicated as completely as possible as soon as possible.

"Each individual, depending upon his size and amount of activity, uses from 8,000 to 16,000 quarts of air per day."

Some hon. members in this House may use more than that.

"We have put long years of effort into obtaining adequate pure food laws and are continually spending large amounts of money to make sure that these laws are rigorously enforced. It has cost us millions to make certain that we have pure water to drink in our municipalities.

"Yet for generations we have been content to inhale several thousand gallons of contaminated air every day.

The importance of having clean pure air to breathe cannot be over-emphasized. Smoke and smog are wasteful extravagances that no one can afford. It is more expensive to put up with polluted air than to pay the price of having air worth inhaling.

"In referring to our subject in the report which follows, we will use the term 'air pollution' almost exclusively. This is for two reasons. Firstly, this term necessarily includes 'smoke' as being one type of air pollution. Secondly, because the techniques for controlling smoke emissions have been pretty well mastered for us elsewhere in the world.

"Hence, smoke should be no great problem in Ontario. It can be eliminated if we will take the trouble and spend the money to eliminate it. When any part of our province is blanketed with smoke particles it is not because of any lack in technical control knowledge. The trouble lies with our laws and by-laws and the efficiency with which they are enforced, combined with a lack of public spirited co-operation and a disregard for the welfare of the members of the surrounding community on the part of the offender.

"What we are really worried about is not so much ordinary smoke, but the hundreds of other kinds of air pollution, many of which are invisible. The problem of air pollution control is completely different from what it was 10 or even 5 years ago. In the last 5 years the petrochemical industry has developed in amazing ways, the chemical manufacturing industry has been growing at a faster rate than all the rest of our industries, and the number of automobiles on our roads has increased by more than 52 per cent.

"There is absolutely no reason to believe that our sources of air pollution will decrease in number, or diminish in their output in the future, without control. There is every reason to think that they will increase in number and in kind, and will grow in concentration. Uncontrolled, the quality of our air is certain to become steadily worse.

"Air, like water, is a limited natural resource. It has taken us a long time to realize that there is a limit to the amount of man's garbage air can absorb and still be suitable for living in. Many catastrophic incidents throughout the world have demonstrated that there is also a limit to the amount the air can absorb and still sustain life.

"We have come to the conclusion that air pollution is a serious, dangerous and costly curse of civilized living. It presents a problem which is gigantic, complex and constantly growing with the increasing population, urbanization, industrialization and prosperity of our province. The effort and co-operation which will be required from all levels of government, and from each citizen, to assure us of clean air to breathe is the price which we must pay for the convenience of our modern way of life.

"If this effort is not made, it is inevitable that much of the benefit of our urbanized living will be negated by discomfort, disgruntled dispositions, disease and premature death.

"Air pollution can and does have a detrimental effect on the physical and mental health, the efficiency and the well-being of people who must exist in it. There is considerable evidence to indicate that it is one of the principal causes for the growing incidence of lung cancer. It certainly predisposes the individual to other respiratory illnesses and to cardiac trouble, and makes his recovery protracted, or his complaint chronic. It can cause sudden death and has produced many episodes throughout the world which have resulted in a large number of fatalities.

"Air pollution may be an obvious nuisance, or in some cases it may be almost imperceptible to the senses of the average individual living in it until the concentration of the pollutants finally reaches the threshold stage of becoming offensive and irritating.

"Then everyone exposed will demand immediate relief which cannot possibly be provided in a reasonable length of time. To be satisfactory, action to prevent air pollution must be taken long

before the situation becomes severe enough for the general public to realize how much they are being affected. In this case, incidentally, prevention is far cheaper than the cure.

"Air pollution always obliterates an appreciable percentage of the sun's beneficial rays. It can easily impair visibility and may do so to the extent that it becomes a danger to, and cause of accidents in, air and ground travel. Depending on the severity, air pollution also removes some or most of the sterilizing action, and other benefits of the sun's radiation, and can in this way contribute to the spread of disease germs.

"Measurements traced by identical illuminometers, one at Malton and another on the roof of a building on University Avenue in Toronto, on a recent day, show that, on that occasion, Toronto smog cut down the intensity of sunlight in the city as compared to that at Malton by more than 50 per cent. There were no clouds in the sky when these measurements were taken. Elsewhere the percentage of smog sun loss has been 75 per cent. and greater.

"The soiling and corrosion effects of air pollution produce great damage to buildings, equipment and machinery, fences, furnishings, furniture and clothing, shortening the useful life of these things and impairing their beauty.

"Air pollution can result in damage to vegetation varying from complete death to so-called 'imperceptible' damage, which means the crops and plants are smaller and of inferior quality, but otherwise appear normal. Because air pollution can be carried by air currents for many miles, farms at great distances from the sources of pollution can be affected.

"Air pollution is frequently evidence of wasted fuel or of the loss of valuable elements. It can have other very substantial economic consequences to every industry and individual in Ontario. Therefore, equipment for the control of air pollution emissions frequently will pay for itself in a short number of years and sometimes does produce a profit.

"Air pollution is also an evidence of bad manners. It is not proper to dump your garbage on your neighbour's land. Neither is it lawful. We have heard it said that smoking chimneys are necessary for prosperity, but we have seen that industry does not have to be bad mannered to be profitable. In fact, bad mannered industry drives good mannered industries out of an area. For example, you cannot operate a precision machine factory next door to an uncontrolled battery of coke ovens. Bad mannered industry usually employs a relatively small number of people for the area it occupies. Good mannered industry employs a large number of people for the area it occupies.

"We are convinced that every industry can clean itself up with the proper guidance. We believe that no industry wishes to be labelled a 'bad-mannered industry.' Most people want to be good neighbours. Good neighbours are the best neighbours and bring the most profit to the municipality.

"The authorities and the people of Great Britain have been struggling with the control of air pollution in that country for over 700 years. In the United States of America millions of dollars are being spent annually by federal, state and municipal authorities, as well as by private industry, to provide solutions to air pollution difficulties.

"It would be a conservative estimate to say that in the next 5 years our friends to the south will spend more than \$50 million on air pollution research alone, without even considering the immense cost of control equipment which will be purchased and installed. The fact that the United States federal government has made available for research in this field the sum of \$5 million per year, for each of the next 5 years, indicates the tremendous importance which is attached to the problem of air pollution by all the best experts across the border.

"Your committee wishes to be able to give Ontario the benefit of as much of the valuable and expensive experience of others as it can acquire. Because the

problem is so vast, so difficult and so involved, and the implications are so many and so important, it would have been absolutely impossible for anyone to complete a satisfactory study in this field during the few months in which our committee has been in existence. To investigate fully all the facets of this vital issue must necessarily require more time than we have had. We desire to make further investigations and to give the matter full and mature consideration before making final positive recommendations to this House.

"To that end, we think it desirable to submit an interim report on this occasion and to request the continuance of this committee.

"We have the honour to do so herewith.

ALFRED H. COWLING, *Chairman*
 W. ELMER BRANDON, Q.C.
 ROBERT E. ELLIOTT
 GEORGE T. GORDON
 HON. PHILIP T. KELLY
 ROBERT W. MACAULAY, Q.C.
 ELLIS P. MORNINGSTAR
 WILLIAM MURDOCH
 THOMAS D. THOMAS

The committee having unanimously agreed upon this report, Mr. Speaker, I move its adoption.

(signed) ALFRED H. COWLING
Chairman

On page 21, Mr. Speaker, hon. members will note a few paragraphs in regard to public support, which may be of particular interest today.

"5: It appears to us, at this stage of our work, that there are many preventive measures which should be practical for adoption on short notice, while others must involve special scientific study together with protracted public education and guidance, in order to achieve the ultimate goal of pure air in spite of modern living conditions.

"Experience elsewhere in the last 5 years has demonstrated the value of, and the need for, proper public understanding in this field. It is clear that if the people are not informed in ad-

vance, when an air pollution situation becomes acute and they clamour for laws which will provide immediate relief, they are likely to get faulty and expensive laws as the result.

"One large centre neglected public education for several years and, although the air pollution control officials were doing technically good and useful work, the public did not realize the extent of the problem, nor the herculean task of correcting it. Considerable trouble developed from this lack of understanding.

"As a result, it was found necessary to have the municipal air pollution control department staff include a public services officer in charge of a general information division of 7 experts in education and public relations. Various informative publications are available, and pamphlets and bulletins are frequently issued. These are distributed to a mailing list and also may be ordered from this division by telephone or mail.

"Forty-two university trained experts on the staff of the Air Pollution Control Department have been organized to form a speakers' bureau. The speakers are specialists in all the various aspects of air pollution — control, enforcement, engineering, research, meteorology, education, etc. They will provide lectures on any or all phases of the problem and its control. Their talks are amply illustrated by excellent motion pictures, slides, photographs, graphs, displays and other illustrative material.

"On request, the speakers' bureau will provide a programme suitable to the needs of the group requesting it. The length of this programme may be anything from a half-hour after-dinner talk to a full two-day detailed course of instruction.

"To illustrate the demand for this service, during the one month of September, 1955, one member of the general information division delivered 129 speeches to service clubs, school teachers, church associations and other civic groups in the area. These talks are not only informative, but are also entertain-

ing and designed to stimulate intelligent public interest, thought and action.

"As the situation exists at present in Ontario, it is unlikely that we will require such a large public relations staff. However, the matter of public education and the best way to achieve it must receive serious consideration and must not be neglected.

"In Great Britain also, Sir Hugh Beaver (the chairman of the British Government Committee on Air Pollution), realizes the value of strong public support for air pollution control. He recently blamed lack of public knowledge for the 700 years of ineffectual attack on the progressive air pollution conditions which culminated in the 4-day smog of December, 1952, causing 'at least 4,000 deaths in the London area' and the resultant appointment of Sir Hugh's committee. Sir Hugh Beaver, in speaking about smoke, said 'both criticism and attack have been violent enough, and I think one may well feel surprised how, generation after generation, the evil has been described in such scathing terms and the practicability of effective action so repeatedly demonstrated—and yet nothing, or almost nothing, has been accomplished.'

"Sir Hugh has commented on the many committees which have been appointed through the years by the British government. He quoted from the concluding paragraph of the report made by the committee which preceded his by 33 years: 'No government has for many years taken any action with the exception of appointing committees whose labours have led to little or no result.'

"Sir Hugh pointed out that 700 years ago the then Queen of England moved out of the city of Nottingham where she was residing 'because of the insufferable smoke'; and that some 300 years later the brewers of Westminster offered to burn wood instead of coal because of the allergy of Queen Elizabeth I to coal smoke. But it was only about the end of her reign that feeling began to lead to action; and then there was a prohibition—'probably ineffective'—of the use

of coal in London 'while Parliament was sitting'!

"Sir Hugh states 'experience has shown that on public opinion, and on it alone, finally rests the issue.' He goes farther to say: 'Good legislation itself will be ineffective unless public opinion supports its enforcement.'

"A recent survey of leading industrial corporations in the United States found that top management in that country classifies air pollution as 'a major public relations problem.' They say that there is 'an increasing and more aggressive public awareness of air pollution as a nation-wide issue.' They advise all industry to tell its neighbours in the communities where plants are located just what they have done and are doing to control air pollution, and how much it is costing. 'Industrial air pollution is frequently as much a public relations as an engineering problem.'

"Industries who have kept their neighbours informed in this way have told us that the dividends returned in public appreciation, gratitude, good will and general public relations, could probably never have been bought with the cost of the control equipment purchased.

"This committee believes that the public should be made aware and kept well informed about the causes, effects and methods of prevention of smoke and other types of air pollution. Understanding of this subject will create a strong supporting public interest.

"This general support is needed because air pollution control is apparently often an expensive process. Wherever this money comes from, in the last analysis it has to be paid, one way or another, by the individual citizen.

"Hence, he should be informed that, while it is a costly business, it is one which we cannot afford to neglect any longer. He should know that such spending is more than highly desirable, it is absolutely necessary. He should realize the tremendous cost in dollars and in loss of health and comfort which we are all paying today for damage done by air pollutants. Elsewhere, other people have

already had to learn this 'the hard way'. He must be convinced that air pollution control will pay worthwhile and substantial dividends to him and his family in health, comfort and cash saved.

"When people know they are getting good value for their money, they do not object to the expenditure. In Detroit, for example, \$18 million has been spent on air pollution control equipment alone in the past 7 years. Several officials of that city stated that they have never heard 'even a suggestion' that one penny of the money was being wasted, or spent for an unnecessary purpose.

" 'Mr. Average Citizen' should also know about air pollution because he is one of the causes of it. From our studies, it is obvious to us that industry is not alone to blame for polluted air and that it behooves every individual to be his own constant smoke inspector. For example, he should not burn leaves, trash, or other open fires in his yard; he should not buy a home incinerator; he should learn how to properly and economically heat his own house, and he should keep his automobile, truck or motorcycle in good repair and adjustment so that it runs as efficiently as possible and does not emit a smoky exhaust.

"The practical experience of others, and many reasons, indicate to us the need for public information and understanding on this subject to be extended and for a strong public interest supporting air pollution control to be aroused. While we are not prepared at this time to recommend by what method or methods this should be accomplished, we must not forget that the enactment of a strong law with no exemptions, and 'with teeth in it,' will, itself, do much to educate industry and the general public in this vital matter which affects each one of us."

Mr. Speaker, on page 36 there are several conclusions and ideas worthy of consideration.

"Everyone inhales from 8,000 to 16,000 quarts of air per day, therefore

the purity of our air is of paramount importance.

"Air pollution is the result of the excessive use of the atmosphere by man for waste disposal, combined with certain predisposing and contributing factors provided by nature in the form of topographical and meteorological conditions.

"Air pollution is not only an expensive nuisance, it is a danger. It is an extravagance which no one can afford.

"Control of air pollution is necessary today, but the need for it will become increasingly urgent as the population, prosperity and automobile registration in Ontario increase.

"Motor vehicle registration in Ontario is increasing at the rate of more than 100,000 vehicles per year. Hydrocarbon-oxidant effects attributable to automobiles include eye-irritation, vegetation damage, reduced visibility and the deterioration of rubber.

"As soon as effective and practical devices to improve the quality of automobile exhaust become available, their attachment should be made mandatory on every gasoline powered motor vehicle in Ontario.

"Although scientific evidence about the effects of air pollution on human health is far from complete, sufficient proof exists to make it abundantly and increasingly clear that air pollution is injurious to both physical and mental health. Under certain combinations of circumstances it can be fatal. It fosters disease, and is very probably a major cause of lung cancer.

"In general, the committee is satisfied that advances in science have now made it technically possible to eliminate, or to satisfactorily control, with the exception of motor vehicle exhaust, almost every kind of air pollution.

"The problem is certain to gain in severity and public importance until the actual physical discomfort of the man on the street will force him to demand abrupt, drastic and expensive action as he has in Great Britain, Los Angeles,

St. Louis, Pittsburgh and elsewhere. The committee firmly believes that such an agonizing situation can be averted in Ontario through thorough and careful study at this time, followed by appropriate decisive action.

"To have adequate air pollution control measures undertaken before an acute situation develops in Ontario, considerable public understanding and support are required.

"Elsewhere, the effectiveness of laws, by-laws and ordinances and the degree of success obtained by officials in the control of air pollution appear to be in proportion to the amount of local public understanding of the subject.

"The expression 'free as the air you breathe' is as antiquated in modern civilized society as the coal oil lamp. Air costs each one of us a substantial amount of money whether it is clean or dirty. It is much more expensive to put up with polluted air than to pay the price of having air that is worth inhaling.

"It is not unreasonable for the average industry to spend between 2 per cent. and 5 per cent. of its capital cost for air pollution control equipment. Such money is always well spent.

"Almost without exception, every industry can clean itself up if it will take the trouble and spend the money.

"Public opinion determines the pace of industry's attack on air pollution. Top management in the United States classifies air pollution as a major public relations problem. Industries who inform their neighbours of what they are doing to stop air pollution find that they earn, and receive, rich and unexpected dividends in public appreciation and good will which would be most difficult to gain in any other way.

"Prevention is much cheaper than cure. Experience has shown that air pollution control expenses may be from 2 to 5 times as great when the correction is applied to an established, operating concern by 'fitting the equipment in with a shoe horn,' than they are when properly planned equipment is designed for and built into factories, or other

buildings, when they are first constructed.

"Everywhere the committee has been where air pollution has developed into an acute and urgent problem, we have been asked to convey hearty congratulations back to the government of Ontario for having had the foresight to do something about this problem before its consequences here assume such serious proportions and become so obvious to each citizen as to make him vociferously demand quick relief action.

" 'Panic legislation' inspired by acute air pollution episodes is unlikely to be effective and will probably be unnecessarily costly. In such cases, since no time is permitted for adequate scientific study to discover the actual cause of the annoyance, any precipitate action taken has a good chance of being misdirected.

"The control of air pollution, it should be made clear, is a function which cannot be satisfactorily administered without the full use of still-growing scientific knowledge, the utilization of technically qualified personnel and adequate laboratory and mobile test equipment, together with the strong support of an informed public opinion.

"We have discovered no instance of an industry being prejudiced in its operations by being required to install adequate air pollution control equipment.

"The old-fashioned idea was that a smoking chimney is a sign of full lunch pails and of prosperity. Today it is an indication of waste, of bad manners and of a source of unnecessary dirt and work for the housewife. It may also be a sign of full hospital beds. It is neither polite nor proper to dump your garbage on your neighbour's property. Neither is it legal.

"Therefore this committee is of the opinion that there should be no exemptions made in any air pollution control legislation which might be recommended to, or adopted by, this Legislative Assembly.

"Because air pollution frequently represents waste, expenditure made for

control equipment is, therefore, almost always likely to be a profitable investment. Where chemicals and elements can be recovered by air pollution control methods, the profit therefrom can often more than pay for the installation and upkeep of the necessary apparatus.

"However, in the rare instance where control is difficult and unusually costly, it might be considered desirable to extend some financial assistance to the industry concerned.

"Or, perhaps in every case, it might be thought wise to extend some financial advantage to those corporations, or individuals, who promptly install the necessary equipment. This advantage might take the form of some tax relief, or maybe it would be desirable to set up a fund to provide interest-free loans for this purpose.

"It is obvious to us that industry is not alone to blame for polluted air and that it behooves every individual to be his own constant smoke inspector. For example, he should not burn leaves, trash or other open fires in his yard, he should not buy a home incinerator, he should learn how to properly and economically heat his own house, and he should keep his automobile, truck or motor cycle in good repair and adjustment so that it runs as efficiently as possible and does not emit a smoky exhaust.

"As recommended by industry and municipalities, this committee will give consideration to the advisability of recommending the establishment of a government agency, (for example, a separate division of The Department of Health), with an adequate budget to provide for sufficient technically qualified personnel and adequate modern scientific equipment.

"The purpose of such an agency would be to accumulate up-to-date air pollution control information and to provide free advice and assistance to individuals and corporations, (both municipal and industrial), on all problems of air pollution and their solution.

"This agency should have sufficient and proper equipment to enable its staff to make surveys and analyses in municipalities and industries with difficult problems. It probably should also be equipped and staffed to carry out research in this complex field. This is no job for amateurs.

"The proposed provincial agency should have direct control over all industry in the province to prevent an industry locating just outside the jurisdiction of any municipality, or in semi-urban areas, to avoid local control.

"This agency should be qualified and capable to give reliable advice and information concerning the type of equipment which would be most suitable and which would provide the most economical results in the control of each type of air pollution problem.

"It might be thought desirable to empower such a government agency to set standards from time to time for each type of air pollution control equipment which the manufacturer concerned must meet with his apparatus before it would be permitted to be sold in Ontario.

"The committee is of the opinion that provincial legislation should be enacted to give the municipal authority the power and the duty to control the common and more simple types of air pollution within its boundaries, and, perhaps, immediately adjacent thereto.

"This municipal control should include power to cause abatement of air pollution originating from railways passing through the municipality and from steamships moored at docks within the municipal boundaries, or anchored or passing within one-half mile from the municipal shoreline.

"We consider that new legislation will be required to control the air pollution from railways and shipping. It is possible that this annoyance may come under provincial jurisdiction as being a matter of 'property and civil rights,' or of health. However, our recommendations in this regard should await the findings of the International Joint Commission.

"Since there is some conflict of informed opinion as to whether provincial legislation, insofar as it would apply to air pollution originating from railways and shipping, would be *ultra vires*, it might be expedient to pass such necessary legislation on the assumption that the province has the right to legislate concerning such nuisances for which our Dominion authority is not assuming proper responsibility.

"Ontario municipalities have been unanimous in placing the blame for a large proportion of their air pollution on railway operation. If our federal authority continues to neglect this problem as it has to date, and provincial legislation is passed to remedy the situation, and if the *vires* of such legislation were challenged in the courts, it is difficult to conceive that the courts would permit railways to operate so as to discharge an unreasonable and unnecessary amount of smoke with disregard to the health, welfare and convenience of the inhabitants of the various Ontario communities through or near which they travel.

"Therefore, it would be desirable to pass legislation in this matter and to give the courts an opportunity to express their opinion should the railways see fit to challenge the *vires* of the legislation.

"The committee wishes to have the opportunity, before making final recommendations, to gather more evidence concerning the amount of control which municipalities can competently and economically exercise in these matters; the problems of central control; limitations and safeguards required; and many other questions in this field for which we do not as yet have the answers.

"An individual who resides in a rural part of the province should not assume that he is free of the burden of air pollution merely because he lives in the country. He, too, pays in one way or another for air pollution. He always pays indirectly, but, on occasion, may also pay directly.

"Air pollution is a matter of concern to all political Parties and transcends

Party lines just as it knows no territorial boundaries. It is in the interest of everybody in the province to do a good job on air pollution control."

Mr. Murdoch moves the adjournment of the debate.

Motion agreed to.

HON. L. M. FROST (Prime Minister): Mr. Speaker, I beg to table answers to questions 17, 34 and 38.

The House, on Order, resolved itself into the Committee of Supply.

HON. D. PORTER (Provincial Treasurer): Mr. Chairman, last evening certain questions were asked with respect to the sinking fund for the retirement of debt. As I informed the hon. members who asked the questions — the hon. member for Bruce (Mr. Whicher) and the hon. member for Waterloo North (Mr. Wintermeyer) were interested in it at that time—I was having a statement prepared by the provincial auditor to show the amount of money which had been paid into the sinking fund, and the amount of money which would be required to be paid into that fund to retire the debt in the 50-year period originally proposed, when the sinking fund was originally established in 1944.

I have with me today a number of computations made on different premises.

In the first place, I have a statement which compares the amounts provided for the sinking fund for the years ending March 31, 1944, to 1956; the annual installments required at 3 per cent. interest to retire the net debt in 50 years, that is, upon the assumption that the sinking fund moneys would be invested over the whole period, at an average rate of 3 per cent. That is the first statement I wish to table.

I think these figures are of great interest, and it might be well if they are recorded in *Hansard* as part of the proceedings, as it will be a very convenient reference for anyone who wishes to go into this matter.

Comparison, for the years ended March 31, 1944 to 1956, of the amounts provided for the sinking fund with the annual instalments required at 3 per cent. interest, to retire the net debt in 50 years.

NET DEBT			SINKING FUND PROVIDED			
Year ended March 31	Amount	Sinking Fund Instalment Required at 3%	Year ended March 31	Amount	Sinking Fund Overprovided	Actual Surplus
1943	\$495,441,291	\$ 4,392,329	1944	\$ 5,570,000	\$ 1,177,671	\$11,315,969
1944	482,493,563	4,277,541	1945	5,292,000	1,014,459	875,370
1945	480,308,957	4,258,174	1946	5,352,000	1,093,826	1,565,900
1946	478,419,323	4,241,421	1947	5,422,655	1,181,234	1,946,249
1947	493,087,004	4,371,457	1948	5,481,000	1,109,543	25,628,753
1948	466,753,486	4,137,998	1949	15,550,000	11,412,002	9,213,252
1949	483,675,155	4,288,017	1950	20,622,000	16,333,983	8,656,649
1950	508,819,331	4,510,932	1951	21,698,000	17,187,068	15,483,682
1951	521,550,164	4,623,797	1952	34,276,000	29,652,203	1,061,439
1952	554,634,803	4,917,109	1953	30,859,000	25,941,891	1,100,871
1953	604,075,199	5,355,422	1954	29,945,000	24,589,578	933,014
1954	629,995,641	5,585,220	1955	21,536,000	15,950,780	143,646
1955	660,725,168	5,857,652	*1956	17,630,000	11,772,348	749,000
13 years		\$60,817,069	\$219,233,655		\$158,416,586	\$78,673,794

*10 months' actual—2 months' forecast.

Comparison, for the years ended March 31, 1944 to 1956, of the amounts provided for the sinking fund with the annual instalments required, at 3½ per cent. interest, to retire the net debt in 50 years.

NET DEBT			SINKING FUND PROVIDED			
Year ended March 31	Amount	Sinking Fund Instalment Required at 3½%	Year ended March 31	Amount	Sinking Fund Overprovided	Actual Surplus
1943	\$495,441,291	\$ 3,782,055	1944	\$ 5,570,000	\$ 1,787,945	\$11,315,969
1944	482,493,563	3,683,215	1945	5,292,000	1,608,785	875,370
1945	480,308,957	3,666,539	1946	5,352,000	1,685,461	1,565,900
1946	478,419,323	3,652,114	1947	5,422,655	1,770,541	1,946,249
1947	493,087,004	3,764,083	1948	5,481,000	1,716,917	25,628,753
1948	466,753,486	3,563,060	1949	15,550,000	11,986,940	9,213,252
1949	483,675,155	3,692,235	1950	20,622,000	16,929,765	8,656,649
1950	508,819,331	3,884,179	1951	21,698,000	17,813,821	15,483,682
1951	521,550,164	3,981,362	1952	34,276,000	30,294,638	1,061,439
1952	554,634,803	4,233,921	1953	30,859,000	26,625,079	1,100,871
1953	604,075,199	4,611,334	1954	29,945,000	25,333,666	933,014
1954	629,995,641	4,809,204	1955	21,536,000	16,726,796	143,646
1955	660,725,168	5,043,784	*1956	17,630,000	12,586,216	749,000
13 years		\$52,367,085	\$219,233,655		\$166,866,570	\$78,673,794

*10 months' actual—2 months' forecast.

Comparison, for the years ended March 31, 1944 to 1956, of the amounts provided for the sinking fund with the annual instalments required, at 4 per cent. interest, to retire the net debt in 50 years.

NET DEBT			SINKING FUND PROVIDED			Actual Surplus
Year ended March 31	Amount	Sinking Fund Instalment Required at 4%	Year ended March 31	Amount	Sinking Fund Overprovided	
1943	\$495,441,291	\$ 3,245,239	1944	\$ 5,570,000	\$ 2,324,761	\$11,315,969
1944	482,493,563	3,160,429	1945	5,292,000	2,131,571	875,370
1945	480,308,957	3,146,119	1946	5,352,000	2,205,881	1,565,900
1946	478,419,323	3,133,742	1947	5,422,655	2,288,913	1,946,249
1947	493,087,004	3,229,818	1948	5,481,000	2,251,182	25,628,753
1948	466,753,486	3,057,328	1949	15,550,000	12,492,672	9,213,252
1949	483,675,155	3,168,169	1950	20,622,000	17,453,831	8,656,649
1950	508,819,331	3,332,868	1951	21,698,000	18,365,132	15,483,682
1951	521,550,164	3,416,257	1952	34,276,000	30,859,743	1,061,439
1952	554,634,803	3,632,968	1953	30,859,000	27,226,032	1,100,871
1953	604,075,199	3,956,813	1954	29,945,000	25,988,187	933,014
1954	629,995,641	4,126,597	1955	21,536,000	17,409,403	143,646
1955	660,725,168	4,327,882	*1956	17,630,000	13,302,108	749,000
13 years		\$44,934,229		\$219,233,655	\$174,299,416	\$78,673,794

*10 months' actual—2 months' forecast.

Comparison, for the years ended March 31, 1944 to 1956, of the amounts provided for the sinking fund with the annual instalments required, at 3 per cent. interest, to retire the net debt in 30 years.

NET DEBT			SINKING FUND PROVIDED			Actual Surplus
Year ended March 31	Amount	Sinking Fund Instalment Required at 3%	Year ended March 31	Amount	Sinking Fund Overprovided	
1943	\$495,441,291	\$10,413,809	1944	\$ 5,570,000	\$ 4,843,809	\$11,315,969
1944	482,493,563	10,141,658	1945	5,292,000	4,849,658	875,370
1945	480,308,957	10,095,738	1946	5,352,000	4,743,738	1,565,900
1946	478,419,323	10,056,020	1947	5,422,655	4,633,365	1,946,249
1947	493,087,004	10,364,323	1948	5,481,000	4,883,323	25,628,753
1948	466,753,486	9,810,812	1949	15,550,000	5,739,188	9,213,252
1949	483,675,155	10,166,493	1950	20,622,000	10,455,507	8,656,649
1950	508,819,331	10,695,005	1951	21,698,000	11,002,995	15,483,682
1951	521,550,164	10,962,598	1952	34,276,000	23,313,402	1,061,439
1952	554,634,803	11,658,013	1953	30,859,000	19,200,987	1,100,871
1953	604,075,199	12,697,213	1954	29,945,000	17,247,787	933,014
1954	629,995,641	13,242,042	1955	21,536,000	8,293,958	143,646
1955	660,725,168	13,887,954	*1956	17,630,000	3,742,046	749,000
13 years		\$144,191,678		\$219,233,655	\$75,041,977	\$78,673,794

*10 months' actual—2 months' forecast.

Comparison, for the years ended March 31, 1944 to 1956, of the amounts provided for the sinking fund with the annual instalments required, at 3½ per cent. interest, to retire the net debt in 30 years.

NET DEBT			SINKING FUND PROVIDED			
Year ended March 31	Amount	Sinking Fund Instalment Required at 3½ %	Year ended March 31	Amount	Sinking Fund Overprovided	Actual Surplus
1943	\$495,441,291	\$ 9,597,356	1944	\$ 5,570,000	\$ 4,027,356	\$11,315,969
1944	482,493,563	9,346,542	1945	5,292,000	4,054,542	875,370
1945	480,308,957	9,304,223	1946	5,352,000	3,952,223	1,565,900
1946	478,419,323	9,267,618	1947	5,422,655	3,844,963	1,946,249
1947	493,087,004	9,551,751	1948	5,481,000	4,070,751	25,628,753
1948	466,753,486	9,041,635	1949	15,550,000	6,508,365	9,213,252
1949	483,675,155	9,369,431	1950	20,622,000	11,252,569	8,656,649
1950	508,819,331	9,856,507	1951	21,698,000	11,841,493	15,483,682
1951	521,550,164	10,103,120	1952	34,276,000	24,172,880	1,061,439
1952	554,634,803	10,744,013	1953	30,859,000	20,114,987	1,100,871
1953	604,075,199	11,701,740	1954	29,945,000	18,243,260	933,014
1954	629,995,641	12,203,853	1955	21,536,000	9,332,147	143,646
1955	660,725,168	12,799,125	*1956	17,630,000	4,830,875	749,000
13 years		\$132,886,914		\$219,233,655	\$86,346,741	\$78,673,794

*10 months' actual—2 months' forecast.

Comparison, for the years ended March 31, 1944 to 1956, of the amounts provided for the sinking fund with the annual instalments required, at 4 per cent. interest, to retire the net debt in 30 years.

NET DEBT			SINKING FUND PROVIDED			
Year ended March 31	Amount	Sinking Fund Instalment Required at 4 %	Year ended March 31	Amount	Sinking Fund Overprovided	Actual Surplus
1943	\$495,441,291	\$ 8,833,767	1944	\$ 5,570,000	\$ 3,263,767	\$11,315,969
1944	482,493,563	8,602,908	1945	5,292,000	3,310,908	875,370
1945	480,308,957	8,563,956	1946	5,352,000	3,211,956	1,565,900
1946	478,419,323	8,530,264	1947	5,422,655	3,107,609	1,946,249
1947	493,087,004	8,791,790	1948	5,481,000	3,310,790	25,628,753
1948	466,753,486	8,322,261	1949	15,550,000	7,227,739	9,213,252
1949	483,675,155	8,623,976	1950	20,622,000	11,998,024	8,656,649
1950	508,819,331	9,072,299	1951	21,698,000	12,625,701	15,483,682
1951	521,550,164	9,299,291	1952	34,276,000	24,976,709	1,061,439
1952	554,634,803	9,889,194	1953	30,859,000	20,969,806	1,100,871
1953	604,075,199	10,770,721	1954	29,945,000	19,174,279	933,014
1954	629,995,641	11,232,885	1955	21,536,000	10,303,115	143,646
1955	660,725,168	11,780,795	*1956	17,630,000	5,849,205	749,000
13 years		\$122,314,107		\$219,233,655	\$96,919,548	\$78,673,794

*10 months' actual—2 months' forecast.

As will be seen, in 1943, the net debt stood at more than \$495 million. The sinking fund installment, which would be required to retire that debt at 3 per cent. interest over 50 years, would be \$4,392,329. At the end of that year, the sum of \$5,570,000 was provided for the sinking fund, so the sinking fund was overprovided for in that year by \$1,177,671.

I do not intend to go over all these figures for each year, but in every year there has been an over-provision in the sinking fund for the retirement of the debt. At the end of 1955, after a period of 13 years, the total amount was \$660,725,168.

Of course, during that period, there were changes in the net debt. The amount required to take care of that increased debt would have been \$5,857,652. The amount actually paid into the sinking fund that year was \$17,630,000. Therefore, there is, over that whole period, a total amount required to provide for the retirement of debt in 50 years at 3 per cent. interest, on the sinking fund investments.

The total amount which would have been required over all those years, with the varying amount of the debt, would have been \$60,817,069. The total amount which was actually provided was \$219,233,655, so there was an over-provision for the sinking fund of \$158,416,586.

Mr. Chairman, I have an extra copy of these figures, which I will send to the hon. member for Waterloo North (Mr. Wintermeyer).

On the basis I have mentioned, hon. members will see that we have provided for retirement of debt by sinking fund and that does not include other means of debt provisions, other provisions which have applied to the payment for capital works out of ordinary revenue.

Mr. Chairman, as I mentioned last night, there is a highway reserve account for which a considerable sum was provided in the Supplementary Estimates of this current year. A further sum was provided in the Estimates for next year. That is all a means of keep-

ing the debt down. If that had not been provided, that much more would have to be borrowed.

In addition to that, there is a surplus at the end of the year. The surplus is something which is applied, generally speaking, to the debt. The total amount of the actual surpluses over this period of 13 years amounted to \$78,673,794.

In addition to the sinking funds, other provisions are made in the Budget whereby debt can be further reduced or the necessity of increasing debt is cut down.

MR. F. R. OLIVER (Leader of the Opposition): If the hon. Provincial Treasurer keeps on talking in that fashion, he will have us out of debt in half a year.

HON. MR. PORTER: Mr. Chairman, if I have made such headway in a few minutes, I will go on for the rest of the afternoon. I am glad the hon. leader of the Opposition is convinced. I thought it would take longer. It is the first time I have succeeded, so far, in convincing the hon. leader of the Opposition.

Mr. Chairman, the second page indicates what would happen. It is a similar comparison, when you assume a 3½ per cent. average interest rate on the sinking fund investments. It produces a better picture. We do not know what the average rate of interest will be between now and the end of the fiscal year period.

Interest rates vary, and, as a matter of fact, there are at the moment, higher rates than have been in effect in recent years. Therefore, it is well to look at this from the point of view of a varied number of interest rates. In this case, the over-provision would amount to \$166,866,570.

The next statement provides for an interest rate of 4 per cent. If that were the average interest rate, the over-provision would be more than \$174 million.

The next statement works it out on the basis of a 30-year period and assuming that the debt would be retired in 30 years by sinking fund, we have

again an over-provision over the years of \$75,041,977, in the sinking fund. In the first 5 of those years there would have been insufficient in the fund, but in the following years it would be more than sufficient. All that is on a 3 per cent. basis. On a 3½ per cent. basis, the over-provision over a 30-year period would be over \$86 million, and on 4 per cent. basis, it would be nearly \$97 million.

Mr. Chairman, I think those statements show that the budgetary policy with reference to the debt has left this government in a very sound position, indeed. When hon. members consider that the difference between the net debt in 1943, and at the end of 1955, is between \$495 million and \$660 million, and you consider the capital expenditures which have taken place over those years, assets which we have as against that debt, that is a very sound position of financing.

MR. R. WHICHER (Bruce): Are not those assets looked after in the gross debt?

HON. MR. PORTER: No.

MR. WHICHER: Are they not subtracted from the gross, to make the net?

HON. MR. PORTER: No. Those are assets such as highways, buildings, capital assets of all kinds, including Hydro extension in rural areas.

MR. WHICHER: Hydro extension is not included in it, surely?

HON. MR. PORTER: Rural extension, which we pay for out of capital.

The government has contributed \$100 million over the years for rural Hydro extension.

MR. WHICHER: I am confused. Surely that is the gross debt and the \$100 million is taken off, to make the net debt.

HON. MR. PORTER: This is net debt. Let me explain. The gross debt is the total amount of debt owed or guaranteed by the province.

MR. WHICHER: No, no.

HON. MR. PORTER: Not guaranteed.

MR. D. MacDONALD (York South): Who is confused now?

HON. MR. PORTER: It is not guaranteed debt in this case, but it is debt which includes—

HON. MR. FROST: It includes self-liquidating and realizable assets.

HON. MR. PORTER: Such as The Hydro-Electric Power Commission, the Northland Railway and one or two other activities of that kind.

MR. MacDONALD: Contact Einstein.

HON. MR. PORTER: I am glad the hon. member admits he does not understand.

MR. MacDONALD: I think I have company.

HON. MR. PORTER: The gross debt is that which includes the investment such as the Hydro-Electric Power Commission, and that debt is self-liquidating. It is liquidated out of the revenues from the Hydro-Electric Power Commission. It is all paid back to the province. It is very similar to a guarantee. A great deal of that financing was done with money raised by the province, and turned over to Hydro, and Hydro owes the province that amount. There is a debt owed by the Ontario Northland Commission, for the railway, which is a self-liquidating undertaking.

The net debt is the debt upon which there are definite rates attached to bring in a definite revenue against it. The revenue which is applied to the net debt is revenue raised by taxation. That is the difference. It is the amount of debt paid out of taxes, as opposed to the amount of debt paid by a self-liquidating undertaking.

Therefore, in looking at the debt position, the Hydro debt is part of the debt which results from the Hydro-Electric

Power Commission's activities. There is provision in the Hydro-Electric Power Commission's accounts for debt retirement. They gradually retire the debt to the government from year to year. If hon. members look at the gross debt they will be looking at a very much larger total figure, but on the other hand, they will have to add to that our figure for debt retirement by way of the sinking fund, figures for the retirement of the Hydro debt, and the figures for the sinking funds of other undertakings of the same kind as well. That net debt is the debt which had to be paid out of taxes.

Mr. Chairman, that is probably as simple an explanation as could be given. That debt is provided for in the way I have mentioned, and I think hon. members will agree with that explanation. I am sure that it will more than satisfy the hon. member for Waterloo North, who said that the hon. Prime Minister's statement of 1944, in regard to the setting up of a sinking fund on a 50-year basis, was a very sound thing indeed, and he wondered if it was an idea to which the government had adhered.

Mr. Chairman, I have tried to answer the question in full.

MR. WHICHER: Have you set it up on a 50-year basis?

HON. MR. PORTER: It is set up on much less than that. We are over-providing for it on a 50-year basis, and the figures speak for themselves.

MR. J. WINTERMEYER (Waterloo North): I want to thank the hon. Provincial Treasurer for bringing this to the attention of the House. I think we have a better understanding of the situation than we had heretofore, but on the other hand, it seems to me that there is a definite difference of opinion as to what the hon. Prime Minister may have meant in 1944, and the explanation given today.

Very frankly, I do not have the Budget speech of the hon. Prime Minister before me, but I do have a copy of *Hansard*. My recollection of what he said was, in effect, this:

For goodness sakes, we have a net debt of \$500 million and we have to do something about it. What I suggest we do is take that debt and liquidate it over a period of 50 years. Secondly, I suggest that hereafter, after 1944, we be very sure with respect to capital expenditures which we might incur, to increase that debt, that we do one or two things. If they are revenue-producing, we liquidate that expenditure over the life of what that is building; for example, highways was a typical and logical example—and if it is non-revenue producing, we take it out of revenue.

With deference, I do not think that is the suggestion at all at the present time. I quite realize the position can be rationalized, indeed any position, depending upon the premise from which you start, but I suggest you are starting from an entirely different premise than the hon. Prime Minister stated 12 years ago.

I suggest your current position is no more logical or intelligible than this example. Suppose a man gets married, and buys a house, which he mortgages for \$5,000. Then, as time goes on, he raises a family and at the expiration of 10 years, he has 6 children. In the interval, he has not paid a nickel off the mortgage.

HON. MR. PORTER: How many years did you say?

MR. WINTERMEYER: That is alright, I want to put my example "across." In the interval, he does not pay a nickel on the mortgage, but he buys a television set, and a car on time, and says, at the expiration of that time, "Lo and behold, if you divide my total debt by my total dependents, it is less per capita." Certainly it is.

HON. MR. FROST: Oh, no.

MR. WHICHER: That is right.

MR. WINTERMEYER: Basically, that is what you are saying. I am prepared to acknowledge the hon. Treas-

urer can rationalize his current position and say we have more assets, and we have done more things, and I submit there is no doubt in my mind, and no doubt in the mind of the hon. Prime Minister, that 12 years ago he devised a plan which was intended to liquidate that debt, and was sure it was not going to become any larger. The plan he had in mind was to reduce the debt.

HON. MR. PORTER: That is not so at all.

MR. WINTERMEYER: The hon. Prime Minister's words suggest exactly what I said at the outset: firstly, \$500 million has to be liquidated in an orderly fashion, and, secondly, with respect to any further increases, they must be taken care of either over the life of the asset, or out of revenue.

The hon. Prime Minister had the hope and expectation at that time that our debt would not increase, and that within a reasonable period of time, he could show a decrease in the debt. I do not think he ever expected it would increase the way it has, and I suggest to the hon. Provincial Treasurer that, while this time he may be able to rationalize his position, it is purely accidental. There has been no plan for the last 17 years for the orderly liquidation of the debt. There has been much more applied against sinking funds.

HON. MR. PORTER: And, as I pointed out, much more than the sinking funds.

MR. WINTERMEYER: It is quite accidental that happened. There was no demonstration, when the Budgets were prepared, this was to be done.

HON. MR. FROST: I point out it was done in spite of the opposition. The money was placed in large amounts in sinking funds, over their protest, and now hon. members can see how well off we are, because of a wise policy.

MR. WHICHER: How much will have been paid off in 1960? There is no plan at all, and it is impossible to tell.

HON. MR. PORTER: We will have to see what our revenues are then.

MR. WINTERMEYER: I want to suggest, in all seriousness, this is a most serious problem which we have on our hands, and I do not think the hon. Provincial Treasurer will suggest to this House and this province, that it is a good thing to have the sort of debt we have right now.

In all fairness, he has to admit, in these good years, something should be done toward reducing that debt. I think, very frankly, the hon. Prime Minister had in mind 12 years ago the hope and expectation that that debt would be decreased, rather than increased.

MR. R. MACAULAY (Riverdale): May I ask a question?

MR. WINTERMEYER: Yes.

MR. MACAULAY: The hon. member "ducked" the question I asked the other day, but I point out to him there are only 3 ways of reducing debt. I wonder if the hon. member would answer "Yes" or "No" to this question: "Does he believe, and does his Party believe, that taxes in this province should be raised?"

MR. WINTERMEYER: I am glad you asked that question. Unfortunately, the hon. member for Riverdale was not in his place the other day, when I spoke briefly on this point. I cannot speak officially, naturally, but I certainly can speak as a private member, and I said then, and I am prepared to say now, that obviously we have to increase the revenues of this province, and everybody knows there is only one way to do that, and that is to increase our taxes in some form.

MR. MACAULAY: I will say the whole fiscal problem at Ottawa at the present time is just an "Alphonse-Gaston act." He knows, as do I, that it is usually political suicide — at least it is very dangerous politically-speaking — to increase taxes, and this government does not want to do it.

HON. MR. PORTER: Is that not what Mr. Chartrand found out?

MR. WHICHER: The hon. Provincial Treasurer just did it.

MR. WINTERMEYER: We have to persuade Ottawa to take that very difficult step. This government knows very well the federal government cannot give the type of financial assistance, which is being requested.

HON. MR. PORTER: It is not assistance for which we are asking at all.

MR. WINTERMEYER: No, but the government is asking for something more than it is getting now, and it knows it cannot receive it, without increasing income and corporation taxes.

HON. MR. PORTER: It must be remembered the federal government does not resort only to direct taxation, it has a field of taxation which we cannot touch at all, the vast field of indirect taxation, and when people talk about the federal government being so hard-pressed by withdrawing a few miserable points—

MR. WHICHER: A dozen big points; \$2 billion is not "miserable."

HON. MR. PORTER: Just a minute. When people say that the federal government cannot go any further in withdrawing from these direct fields of taxation, corporation and income taxes, they forget entirely that it still has vast tax resources, in the indirect field, which we cannot touch.

Under the Constitution, we are limited to direct taxation and the corporation, income tax and succession duty taxes are the 3 big fields of that form of taxation, but with the federal government coming in to the extent it has, we have been squeezed out, and we have the very "short end of the stick" in the only field we are entitled to enter, the direct field of taxation. The hon. member is talking about increasing taxes. I be-

lieve the people of this country are too heavily taxed now.

MR. WINTERMEYER: So do I.

HON. MR. PORTER: And I do not think they can be taxed any more heavily unless it becomes so essential to do so, that there is no other resort. It should be at the very last resort that there be an increase in taxes. That is my belief, but the hon. member says "No." As I understand it, he says we should pay the whole capital programme out of revenue.

MR. WINTERMEYER: No.

HON. MR. PORTER: What is the point? To what does the hon. member object? We have paid 65 per cent. of the entire programme out of revenue over the years. We will pay a very large percentage this coming year out of revenue. What does the hon. member say about that?

MR. WINTERMEYER: No.

HON. MR. PORTER: I thought the hon. member was indicating we should pay out of revenue.

MR. WINTERMEYER: No.

HON. MR. PORTER: How much more should we pay out of revenue?

MR. WINTERMEYER: We have to reduce this to something definite. We are talking about several different issues.

To revert back to the sinking fund problem, I say what the hon. Provincial Treasurer speaks about is *apropos* to the subject, but if we are talking about increases in revenue, what he has just said is not *apropos*. There are two distinct problems. One is the basic question of debt, and in that connection I am saying that in spite of the fact considerable provision has been made for sinking fund in the last 13 years, the wise policy which was enunciated 12 years ago has not been implemented in practice, as it was intended to be implemented.

HON. L. M. FROST (Prime Minister) : Of course it has.

I want the hon. member, over the week-end, to take the speech of 1944 and read it. He will have with him this statement which has been prepared by the provincial auditor, and he will find that according to that very sound speech which I made 12 years ago, I was obligated, as Provincial Treasurer, to put some \$60.8 million into sinking funds, and I did, in fact, put into sinking funds, not \$60.8 million, but \$219 million. In other words, I did place in the sinking fund \$158 million more than I said in 1944, should have been done.

I would like to say to the hon. member for Waterloo North, who is a young man in his first session in this House, I think he should go back this week-end to the grand old riding of Waterloo North, and say he has come to the Parliament of Ontario and has not been disillusioned at all, that he has come here and finally he has come across a politician who has more than carried out his promises.

Mr. Chairman, I am always anxious the new hon. members should form a high opinion of this Parliament, and this government. I should like to say something to the hon. member for Bruce (Mr. Whicher).

Yesterday, there was some comment in connection with the grants for education. I have the figures for his riding, which come from a very reputable source, the hon. Minister of Education (Mr. Dunlop). In the county of Bruce in 1954, the total cost of education, including things above the approved cost—

MR. WHICHER: Not university education.

HON. MR. FROST: That is right. The cost about which the hon. member and I were speaking was \$1,694,000. The legislative grants were \$856,000, and in Bruce County the government paid 50½ per cent. of the costs.

MR. OLIVER: You got there.

HON. MR. FROST: I would like the hon member to go home and tell his people that no matter what might happen elsewhere, certainly the people get a square deal. In Bruce County, in addition to those figures, last year they received \$31,245 by way of additional per capita grants. So that ought to send at least two hon. members of the Opposition home in a better frame of mind than that in which they have been hitherto.

MR. WHICHER: I would like to point out to the hon. Prime Minister and the hon. Minister of Municipal Affairs (Mr. Goodfellow), as I said the other day, that Bruce County has now been re-assessed on a 100 per cent. basis, and our school grants have gone away down, as far as this year is concerned.

HON. MR. FROST: I will have a look at that.

MR. WHICHER: It is not at all fair when one county is assessed on a 100 per cent. basis and another is not.

MR. T. D. THOMAS (Oshawa) : There has been a maze of figures presented this afternoon. The hon. Prime Minister said all the hon. members should be happy that the debt had been reduced so quickly. We had better tell the municipalities that, because they have been looking for increased grants for a number of years. If the province has been able to pay off its debt much more quickly than they have in the past, the municipalities will wonder if they are asking the right people, when they ask the federal government for assistance.

HON. MR. FROST: Twelve years ago, this province for all purposes, was giving about \$19 million to the municipalities, and in this year of grace, 1956, this enlightened government is not giving \$19 million, but \$185 million.

MR. THOMAS (Oshawa) : The hon. Prime Minister said that yesterday.

MR. WHICHER: The government had \$300 million extra to give away.

MR. F. R. OLIVER (Leader of the Opposition): When the hon. Provincial Treasurer was speaking, I was reminded of an earlier hon. Provincial Treasurer who was also a Conservative, who, in years gone by, set up a sinking fund to retire the provincial debt. He was the first one. We enquired of him where he was going to get the money to put in the sinking fund and, quite blandly, he said he would have to borrow the money to put in the sinking fund to retire the debt.

I am sure the position today is exactly the same as with the former Provincial Treasurer. The government will liquidate the debt by doubling it. No amount of talk can bring any sense into a situation such as that. The debt cannot be liquidated over 25 or 50 years by adding to it, and making it larger each year by \$70 million. This maze of figures which the hon. Provincial Treasurer has given us this afternoon, he does not understand himself, neither do I, and neither does anybody else in the House.

HON. MR. PORTER: The hon. leader of the Opposition does not, but I do, and so does the hon. member for Waterloo North. He understands them perfectly, and he agrees they are right.

MR. OLIVER: I am just as close, if not closer, to the hon. member for Waterloo North than is the hon. Provincial Treasurer, and I doubt very much if he agreed with the hon. Provincial Treasurer's summing up this afternoon. Do not let the people of this province be misled by the honeyed words of the hon. Provincial Treasurer, who is going to retire the debt in 50 years by adding millions to it every year. It is not sensible.

HON. MR. FROST: Of course, I would say if the hon. leader of the Opposition carried out what he says to its logical conclusion, he would pay all of your capital costs from current revenues.

In these days of very great expansion, as has already been said, \$100 million

has been placed for Hydro expansion. We have extended Hydro to the farmers of Ontario and we have multiplied the number of farmers' receiving power by 3 times in this province. Every cent of that has been paid for, and a very substantial proportion of the capital costs have been paid for out of current revenue. The only question to be considered by this House is, are we paying sufficient from current revenues, or are we not?

As a matter of fact, these are days of fabulous expansion. Hon. members heard the hon. Minister of Public Works (Mr. Griesinger) give the list of new buildings yesterday. We have been doing that for years. All those buildings have been paid for, at least to the extent of 60 per cent. of the cost, out of current revenues. That is a very great record in view of our expansion, and I would say it is a record calculated to preserve our credit, and to enable us to keep on doing business in a big way.

MR. WINTERMEYER: May I ask the hon. Prime Minister whether he personally thinks we have to increase our revenues in order carry on the works of this government?

HON. MR. FROST: That, of course, depends upon the things we do. If we were able to adhere to the present pattern of expenditures, I should say that we would be able to finance our way, from our present revenues, without adding to the provincial taxation.

On the other hand, if the province, for instance, must assist further in education—and I am quite frank in saying I think over the next 10 years, that will have to be done—I think the grants which have already been multiplied by $10\frac{1}{2}$ since this government came into office, are going to have to be increased. It depends upon the amount of that increase, for one thing, as to whether the province will have to find new money.

Furthermore, this is one of the problems facing the people, and facing this House: if we go into hospital insurance, and the province has to finance, with federal government contributions and

premium taxes, the sum of \$190 million in the first year, and probably \$275 million by the end of the fifth year, common sense indicates, of course, we will have to increase taxes to secure the money.

It is as simple as that. If we are going to keep taxes where they are, then of course we have to restrict our spendings, and our expansions to fit that pattern. If we go beyond it, of course we have to raise more money. That is the answer, I think, to the question, and those answers will be borne out, in the process of government, in the next few years.

MR. H. C. NIXON (Brant): The hon. Prime Minister will remember when he made his speech in 1944, on the over-all picture of income and expenditure, both ordinary and capital, he had a surplus, and there was an actual debt reduction. That does not apply today.

HON. MR. FROST: How do you mean, "actual debt reduction," at the time I made that speech?

MR. NIXON: The picture was entirely different.

HON. MR. FROST: Mr. Chairman, it is quite true the picture is entirely different today. The last years of the government of which the hon. member for Brant was a member, and the first years of this government, up to the termination of the war, were years in which we had virtually no capital expansion in highways, and very small in Hydro, although we did a good deal better than had been done previously in regard to rural hydro, and many other cases. But to compare our actual position, as a government and province, in 1944 with 1956, is comparing two completely different eras, with different conditions in this province.

In 1943 and 1944, we were in a position where, in order to win the war, it was our job to hang on, and spend as little as possible, to allow capital works to be postponed into the future. Today, in order to develop the country

and provide for peacetime employment and increased production, it is our job to make wise investments, and to use our credit. The situation is, as the hon. member says, quite different.

MR. NIXON: May I just finish? I was wondering if the hon. Prime Minister had read the speech of the hon. Minister of Planning and Development, in Ottawa yesterday?

HON. MR. FROST: I have not read it, but I have no doubt it was a very excellent speech.

MR. NIXON: Listen to this:

Regardless of the fiscal relations existing between the provincial and federal government, I can say that Ontario will probably have to increase some of the taxes at the provincial level, to keep up with our expanding economy.

HON. MR. FROST: I would say that was a very fair statement, and I think it fits in to what I said to the hon. member for Waterloo North.

MR. NIXON: Regardless of what you receive from Ottawa?

HON. MR. FROST: I would not say that. I think if the federal government takes an enlightened view of the problems of this great province, we would be able to go through without missing. Mind you, those are taxes above the standard levels, because, under the agreement, the province imposes the tax. With the present attitude at Ottawa, if we are going to increase grants for education, and do some of the other things which have been mentioned here, it would appear to me we will have to find additional revenues to meet them, and that is particularly true if we get into a hospital plan. That is the situation.

MR. OLIVER: In the field of speculation as to what taxes — if any — might be increased, can we extract a promise from the hon. Prime Minister that he will not increase the licence fees on automobiles again?

MR. MACAULAY: We will not do that by radio, anyway.

HON. MR. FROST: You can never extract promises from me.

MR. OLIVER: I am interested in that particular matter, because in the last election, the hon. Prime Minister went into Mr. Chartrand's riding, and called attention to the fact that Mr. Chartrand had proposed an increase in motor licences, and, by the same token, called upon the people to slap Mr. Chartrand because he had so proposed. To show hon. members the workings of a "Tory" mind, as soon as the election was over the hon. Prime Minister did the things that he promised he would not do, in his Budget speech of last year, and did the thing he condemned Mr. Chartrand for proposing in the last session of the Legislature.

HON. MR. FROST: The hon. leader of the Opposition should read Mr. Chartrand's speeches more carefully. Mr. Chartrand was going to raise the gasoline tax by 5 cents or 6 cents, and use it to pay for hospital insurance, and the people around Ottawa did not seem to like it.

MR. OLIVER: You mean, you did not go the whole way, just part of the way.

HON. MR. PORTER: I would like to remind the hon. leader of the Opposition of this—

MR. OLIVER: What have you to remind me of?

HON. MR. PORTER: In viewing the situation as it was in 1943, with the situation as it is today, then with a debt of somewhat slightly under \$500 million, the revenues were \$100 million; today with a debt of approximately \$660 million, the revenues are \$400 million which puts an entirely different aspect on the problem. The hon. members opposite are between the horns of a dilemma.

MR. NIXON: Yes, and the hon. Prime Minister is right on the horns.

HON. MR. PORTER: No, we take the sound course and are doing our duty. The hon. member for Waterloo North has suggested that something should be done, but, for the life of me, I have yet to hear him say what should be done. He says under no circumstances should the debt be increased, under no circumstances should—

MR. OLIVER: He has twice said that is not what is—

HON. MR. PORTER: He can speak for himself.

MR. OLIVER: And I can speak, too.

HON. MR. PORTER: Oh well, if you need a duet over there, all right.

MR. OLIVER: It is better than a single voice on the side opposite.

HON. MR. PORTER: It is beginning to sound like a sextet.

THE CHAIRMAN: Order.

HON. MR. PORTER: What is the hon. member really proposing?

MR. OLIVER: We will read that line over again if the hon. Provincial Treasurer will sit down.

HON. MR. PORTER: All right, at the invitation of the hon. leader of the Opposition I will sit down.

HON. MR. FROST: I think the time has come to adjourn the debate on this issue.

MR. MacDONALD: For once the government has had enough.

ESTIMATES, DEPARTMENT OF MINES

HON. P. T. KELLY (Minister of Mines): Mr. Chairman, in presenting the Estimates for The Department of Mines for the fiscal year ending March 31, 1957, may I say that they are predicated on a conservative basis, to ensure

that when the net return to this province is determined one year hence, we shall have delivered to the provincial coffers the sum indicated in the Estimate.

In the first year of this century, the total output of all of Ontario's mines was about \$10 million. By 1940, the annual production had risen steadily to a peak of \$270 million. During the years of the Second World War, it slipped back under the \$200 million mark, but in 1946 the upward trend began again. The rise since then has been phenomenal.

The preliminary figures for the year 1955 showed the total production as more than \$577 million. I must emphasize that this is a preliminary figure, and as such it is not complete. On the basis of past experience, it is perfectly safe to say that the final compilation will show that the total 1955 output exceeded \$600 million. That is to say that, in the short space of 10 years, we have seen a 300 per cent. increase in our mineral production.

Altogether, Ontario's mines have produced more than \$8½ billion in new wealth. That is something like \$1,700 for each man, woman, and child now living in this province.

In the way of direct employment, this means that more than 38,000 families in Ontario receive their livelihood directly from the mines, metallurgical work, quarries, sand, gravel and clay pits, and from diamond drilling operations. It just cannot be calculated how many thousands more are employed in industries which wholly or in part exist to serve the mines, or which receive the materials with which they work from the mines. As we look about us, it is difficult to see any manufactured article which could have been brought to its present form without the contribution of its mineral constituents.

It is certainly not too much to say that civilization as we know it today would be impossible without the mineral resources of this province, this country, and other areas throughout the world.

With that in mind, it is good to know that Ontario's record of production, far

from falling off from last year's peak, is almost certain to grow steadily greater. For that happy situation we have to thank the prospector who, with dogged courage and perseverance, and a backlog of sound technical skill and geological lore, each year scours great areas of the northland in search of hidden wealth.

In 1954, more than 50,000 mining claims were staked and recorded throughout Ontario. Nothing like this activity had ever been seen before in this or any other province. But even that high mark toppled last year, when prospectors staked 57,367 claims.

Let us consider what that means in geographical terms. Each mining claim is about 40 acres in extent, so that the total area of land set aside last year for mining development was about 2,295,000 acres, more than 3,500 square miles. Translated into terms more applicable to southern Ontario, this would be roughly equivalent to the total area of the counties of York, Peel, Halton, Ontario, Dufferin and Wentworth.

Now the prospector, although he must be possessed of imagination and vision, is not just a dreamer. He realized that it would cost him \$5 in fees for each of the 57,365 claims he staked. He realized that a very considerable expenditure of money and physical effort must be expended on each claim he staked if it were to remain in good standing. So he did not stake his claims just for fun or so that he could boast of possessing a certain amount of real estate. He staked the land for one reason only — he believed that beneath it lay enough valuable mineral to make his gamble pay off. All prospectors cannot win, but there would certainly not be as many as there are if all, or most of them were fated to lose.

Therefore, I say that in the 3,500-odd square miles of mineralized territory staked last year, we are virtually certain to see some producing mines within the next year, or the next few years.

While I cannot hope at this moment to point to any large number of areas where development work is now pro-

ceeding as a prelude to the inauguration of actual production, I might mention a few such spots in the most general terms.

Of primary importance is the immensely rich Blind River area in the Algoma-Sault Ste. Marie district. Here a complete metamorphosis has taken place since the discovery 3 years ago of widespread bodies of uranium ore. Already one mine is in production, 4 others are so far advanced in their development that they will be in production by next year. One of these will be milling ore in 1956. Drilling on at least 6 other outstanding prospects in the same area has resulted in ore intersections, and of these, two are so far advanced in their exploration and development work that shafts are now being sunk. Altogether the Canadian government has already signed purchase contracts for some \$500 million of uranium from this area alone.

The investment of private capital has been on a gargantuan scale. Best estimates are that well over \$100 million has already been spent in construction. A whole new town, whose population might reach 20,000 within a few years is now going up at Elliot Lake. A new highway is being constructed to replace the mining access road which was put in a couple of years ago to serve the mines of the district, and altogether it is impossible without seeing it to realize the vast change which has come over this area which, until 3 years ago, depended almost entirely on the lumbering industry for its existence.

Although Blind River is destined to be the world's greatest single source of uranium, another area in Ontario — that around Bancroft — has also sprung into world prominence as a producer of the same magic metal. Here, during the last two years, more than 100 separate properties have been under development, and at the end of 1955 actual underground work was proceeding on 10 of them. Two companies have production-purchase contracts with the Dominion government totalling more than \$65 million. Here, too, a new townsite is being set up under government aus-

pices to accommodate the men who will be employed in the mines, and their families.

In the Manitouwadge Lake area we see a very big new copper-zinc mining development. Two separate companies are now engaged in shaft-sinking preparatory to first production in 1957. Here, as at Elliot Lake and Bancroft, a whole new town is rising in the wilderness, with comfortable homes, recreational areas, shopping districts and all other modern amenities.

Ontario's iron mining industry has taken enormous steps forward during the last few years. The total of ore shipments in 1955 was almost double that for the previous year, reaching, in the aggregate, more than 4.25 million tons. At Marmora, in eastern Ontario, an entirely new mine went into production last year, and at Steep Rock Lake at the other end of the province, great new developments are under way to bring in the third orebody in that range. An enormous engineering feat, the equal of the one which preceded the mining of the first ore from beneath Steep Rock Lake, must be completed before the new mine comes into production in 1960. But when the job is done, an estimated 160 million tons of rich ore will be available for mining.

In even the briefest review of Ontario's mining picture, the Sudbury Basin must be given a prominent part. This area is — and for many years will remain — Canada's greatest single source of mineral wealth. From it comes about 75 per cent. of the free world's supply of nickel, about half of Canada's total production of copper, virtually all of Canada's platinum metals, as well as silver, cobalt, and gold in large volume.

Now, as the result of the perfection of a new metallurgical process, and the construction of a \$19 million plant, the International Nickel Company of Canada is about to enter the field of iron ore production in a big way. Henceforth, to all its other products, International Nickel will add about one million tons of high-grade iron oxide every year, production which, in itself, is the equivalent of that of a very large iron

mine. This immensely important production will actually be another by-product of the nickel-copper ores of the district, and with it as an added value, it will now be possible to mine a great deal of ore of marginal grade which, otherwise would be left in the ground.

I intend now to touch on only a few other highlights of the industry. At Ojibway, near Windsor, rock salt is now being mined at the rate of about 500 tons every working hour. This new underground mine was completed last year. Near Lakefield, the existing nepheline syenite mine's facilities are being expanded and another new mine on neighbouring property is expected to go into production within a few weeks.

The Portland cement industry is expanding at a very noteworthy rate, and 3 new multi-million dollar plants are now under construction, or about to begin construction, in southern Ontario.

There has been intensive exploration activity in a number of iron formations throughout the province, including those near Calabogie in Renfrew County, in Boston Township near Kirland Lake, in Clay and Howells Townships north of Kapuskasing, at Bruce Lake in the Red Lake district, and in the Nakina district, also in northwestern Ontario.

Copper and nickel have also loomed large in the prospecting and development programmes of the last year. From at least some of them we confidently expect production before very long. In one of them, at Werner Lake, in the district of Kenora, nearly 4 million tons of ore have been outlined and a second zone is being subjected to diamond-drilling. In the same district, at Populus Lake, shaft-sinking is now in progress.

Underground work is being carried out on a promising copper deposit near Kashabowie in the Port Arthur district, and at Mamainse Point, north of Sault Ste. Marie. History is being revived as underground exploration is conducted here, at the scene of one of Canada's earliest mining enterprises. Not far north of North Bay, an island in Lake Temagami is the scene of other intense development activity on rich copper

showings. This area became very active toward the end of 1955 when more than 1,000 applications were filed following a copper find in Scholes Township, and a nickel-copper discovery between Latchford and Temagami, in Best Township. Diamond-drill programmes and geophysical surveys are being conducted at several properties in the district.

A great many other developments in 1955 are worthy of discussion at considerable length. However, enough has already been outlined to support the claim that 1955 has been, by far, the greatest year that Ontario's mining industry has ever known.

Mr. Chairman, The Ontario Department of Mines plays a great part in the development of our mineral resources, by means of the services which it so ably provides for the mining public. For the year just closing the cost for these services will be \$1,254,000 on ordinary account, and approximately \$1 million on capital account, that is the construction of mining and access roads. Against this, we expect that the revenue of the department will amount to some \$7,722,000 on ordinary account and \$180,000 on capital account. Thus The Department of Mines will this year contribute more than \$5 million to the provincial treasury.

Our Estimate of ordinary expenditure for the year 1956-57 is \$1,348,000, as against ordinary revenue of \$7,069,000. The expenditure figures represents an over-all increase of \$133,000 over the Estimates for 1955-56, and a slightly smaller increase—\$94,000—over the expenditure we expect to show for the current year.

During the past year the geological branch continued to examine strategic areas throughout the province as a means of encouraging more prospecting, and the development of potential mineral-bearing areas. Some of the areas covered were the Werner Lake area, Manitouwadge Lake area, Blind River area, Bancroft area, Sudbury area and many others, 14 in all.

In addition, a combined airborne magnetometer and scintillometer survey is

being made in the vicinity of the Blind River area where a similar survey resulted in much of the development I referred to earlier in this talk. The total cost for operating this branch for the coming fiscal year will be approximately \$280,000, and the branch plans to continue with its programme as in the past.

The mines inspection branch is responsible for checking at operations the requirements of The Mining Act relating to standards of equipment, working conditions, and the safety of operations. To this end, the department's inspectors work in close harmony and co-operation with the miners and mine operators alike. They receive whole-hearted support from both employers and employees.

This Branch having to do with the safety and welfare of personnel employed in the mines is looked upon as one of the most important branches of the department. In view of this, the technical standards for the inspectors is set at a high level. Every inspector in The Department of Mines must be a graduate of a recognized university in mining, electrical or mechanical engineering, and must have completed at least 5 years in a responsible engineering position. The work-load of the staff has increased steadily during the past 5 years, and with the opening up of new mines it has become necessary to appoint two additional inspectors to cover eastern Ontario.

The estimated cost of operating the mines inspection branch is \$164,000, plus \$31,000 for the work of the cable testing laboratory.

In addition to the cable testing laboratory, The Department of Mines operates two other laboratories: the provincial assay laboratory in Toronto, which it is estimated will cost \$57,000, and the Temiskaming testing laboratories at Cobalt, which it is estimated will cost \$94,000, for the current fiscal year. These two laboratories provide assaying services and the Temiskaming testing laboratories provide a bulk sampling service as well.

Last year, this House amended The Sulphur Fumes Arbitration Act to in-

crease the liability of the interested mining companies to \$20,000. The estimated cost of handling this branch in the coming fiscal year is \$18,000, all of which will be returned to the government by the companies involved.

The mining lands branch experienced the most active year in its history, and the cost of operation for this year will amount to \$226,000, an increase of about \$29,000 over the estimated figure. As we can see no let-up in the activity, it is necessary that we provide \$271,000 for the year 1956-57.

Turning to the main office—the nerve centre of the department—we see that its function is to control general policy and operation. The cost of operation for the current fiscal year will be \$415,000, and it is estimated that we will require \$422,000 for the operation of this office during the fiscal year 1956-57. Apart from the payroll, which will amount to \$241,000, the largest single item of expense provided for is the publication of our geological maps and reports, which are distributed free to the mining public.

Mr. Chairman, while the expenditures of my department have increased to some extent each year for the past 5 or 6 years, I think we can all see that such additional expenditure is fully justified in the light of the tremendous developments in the mining industry of Ontario and its steadily increasing contributions to the provincial economy.

MR. R. GISBORN (Wentworth East): Mr. Chairman, may I have a brief moment on this subject? As a member of the Standing Committee on Mining, and one who had the opportunity a couple of weeks ago of participating in a tour through the mining areas of Kirkland Lake and Timmins, I want to say that I feel that trip was most beneficial and informative to the committee, members of which were able to get a first-hand look at the operations underground, and also a very good look at the surface processing of the gold.

Then, accepting the hospitality of the operators of the mining industry, we

were able to listen first-hand to their many problems concerning the operation of the industry.

To further my feeling that the trip was really worthwhile was the occasion the committee had to meet with a delegation of the United Steelworkers of America, representing the miners in the area. In meeting with this delegation, they put forward their many problems regarding safety, and the health and welfare of the miners in the gold mining area.

They were quite concerned with the importing of immigrants inexperienced in mining operations. Their feeling was that the regulations for the safety and health of workers in the mining industry were not being properly enforced. Also they were concerned with the premature retirement of miners and of their welfare when retired. They impressed the committee, in my opinion, because the committee agreed to meet a delegation of the representatives of the mining industry in Toronto on March 21, which is next Wednesday.

The trip was quite beneficial in that regard, and I am not going to say anything about their problems, as I do not want to prejudge as to whether their view of their problems is right or wrong. However, I do want to express my appreciation for the trip because these are the type of things which come out of such a trip, and I am sure that the Committee on Mining, when it meets this delegation, will give full consideration to their problems, and the result will be beneficial as a whole.

MR. D. MacDONALD (York South): Mr. Chairman, before we proceed with the Estimates I want to raise a matter which, quite frankly, puzzles me as to why it took place in the past year at all. I presume that in the mining Estimates is the place where we might have something to say, if we have anything to say at all, on this *Economic Study of Gold Mining in Ontario* which was produced in 1955.

I do not know how much this document cost the people of Ontario, nor how much the government paid for it,

but I am puzzled to know what, if a single item of value, was produced.

Let me remind hon. members of the House, Mr. Chairman, that this study emerged out of a very serious industrial dispute in the mines of northern Ontario 2 or 3 years ago, I forget the exact date.

HON. MR. FROST: The fall of 1953.

MR. MacDONALD: The fall of 1953, and one of the complicating factors in attempting to arrive at a solution of the differences between workers and management at that time was the plight of the whole gold mining industry. At the end of those negotiations, when the government finally came into the picture, there was some sort of commitment and, frankly, Mr. Chairman, I am not sure that "commitment" is not too strong a word.

HON. MR. FROST: No, that is all right.

MR. MacDONALD: That is all right? O.K. Well, there was some sort of commitment that the government would look into the situation in the industry, that they would set up a commission, a study group, to look into it. If the government is going to take such action, and spend public moneys, it strikes me it would be doing so for one purpose only, namely, to find some answer — if there be an answer — to the problems in the gold mining industry, and to take some steps to implement that answer.

What we have here may be a very interesting study of the gold mining industry, a purely factual presentation, which ends with a chapter that is delightfully described as *Concluding Observations*, and which, quite frankly, Mr. Chairman, is the most innocuous chapter on "concluding observations" one could possibly have, if it is assumed that this document was intended to present some sort of suggestion for the formulation of a government policy, with the aim of doing something about it.

The only thing I can conclude is that the intention of the government from the outset was to do nothing about it, that this was a purely academic effort, that in terms of policy to meet the problems of the industry, the money was simply poured "down the drain."

As a matter of fact, my suspicions are confirmed when I read the terms of reference. I do not want to be too critical of the persons responsible for this study, but when I read the terms, it is rather clear that they were asked to do nothing more than make a sort of academic study.

HON. MR. FROST: Mr. Chairman, would the hon. member for York South read the terms of reference?

MR. MacDONALD: I shall be glad to read them, Mr. Prime Minister. They are:

A committee to examine and report on:

(a) the conditions affecting the present position of and prospects for the gold mining industry of Ontario;

(b) the causes underlying trends in employment, wages, working conditions, profits, dividends, etc., in the industry; and

(c) the effects of these developments on communities in the northern parts of the province.

HON. MR. FROST: That is a very broad reference.

MR. MacDONALD: A very broad reference? Well, Mr. Chairman, if the hon. Prime Minister is correct in that, all it wanted was an academic study. Good! Then it seems to me that the responsibility is on the government to formulate, from this academic study, some programme of action to implement it, otherwise, I repeat, the study represents so much money "down the drain." We could have secured a good deal of this information elsewhere, without gathering together half-a-dozen professional people to compile it.

The interesting thing is that this was published some time ago. It was distributed to hon. members of the

Legislature, and there is absolutely no indication from the government at all that any programme of action is emerging out of this study. If there is such a programme, I shall look forward with a good deal of interest to hearing about it during the discussion on the Estimates.

However, as a sort of background to what I think the situation in the gold mining industry is, I want to make 2 or 3 basic points. The first one is this, and I emphasize it because sometimes, because of views which have been expressed by members of my Party, the suggestion is that what the CCF wants to do is to sort of eliminate the gold mining industry altogether. That simply is not the case.

As a matter of fact, if hon. members are interested, I can tell them what the CCF wants to do about gold mining. They were interested, at the national level, to the extent of issuing a recent bulletin on "gold mining." This bulletin comes out once a month, and one of the issues this year was on the subject of the "gold mining industry." There are two or three salient points in it which I should like to bring to the attention of hon. members. Perhaps I should quote it, because this is an official statement, from a publication of the CCF organization:

The gold that our miners produce helps to pay for the many essential imports which are indispensable to the maintenance of the Canadian standard of living. (In 1954 total gold production was valued at nearly \$150 million, ranking as our fourth most valuable export commodity to the United States.)

These are inescapable facts that make gold production in Canada economically important.

Somewhere else it spells out that the reason for that is that the gold can be sold in the United States and we in turn can import from that country, and that makes an indispensable contribution to the Canadian standard of living.

So do not let anyone suggest that the CCF is trying to ignore the worth

and the importance of gold mining, or is trying to eliminate it altogether from the scene.

There are other factors which I shall not go into in detail at the present time, but I invite hon. members to read, if they want, the brief submitted by the United Steel Workers to the committee. As far as the workers in the industry are concerned, it is all summed up in one sentence:

They work 20 per cent. more hours for wage rates which are about two-thirds the wages paid in other metal mines and without most of the employment benefits which are usually provided in industry generally.

That, Mr. Chairman, sums up what I could take fifteen minutes, 20 minutes, or half an hour to give the House in detail, and it very strongly documents their case.

The gold mining industry, admittedly, in some respects, is a sick industry—some aspects of it are those of a sick industry. But the over-all position of the industry is one which, as I indicated when I had a chance to speak briefly at our committee's banquet in Kirkland Lake, strangely enough is very comparable to that of the farmers, a situation in which they have to produce on a fixed or a dropping income, in the face of rising costs of production. That is a difficult situation, whether it be farmers or gold miners.

What I want to complain about, Mr. Chairman, is that I am convinced from a study of the situation in the gold mining industry, that what is happening is a certain aspect of the industry—that part of it which is a going concern—is profitable beyond any shadow of doubt—Hollinger, Kerr-Addison and McIntyre, which are not poverty-stricken companies which are going to go out of business tomorrow, or the day after tomorrow, or anything like that.

But what these companies are doing is hiding behind the position of the marginal companies — and without a doubt there are marginal companies — and in hiding behind that position, they

are refusing to meet the legitimate demands of the working people, they are refusing to meet the legitimate demands of the communities in which they are located, to meet community services and so on.

May I point out to this assembly that, in the last number of years, for example between 1912 and 1952, the gold mining companies in the Porcupine Belt—the hon. member who comes from Timmins will be interested in this—have paid out \$297 million in dividends and bonuses as against \$376 million in wages. To consider a couple of examples, the Dome Mine has paid out \$73 million to shareholders and \$46 million in wages. Hollinger has paid out \$129 million to shareholders and \$150 million in wages.

So these companies have been exceptionally profitable companies down through the years, and some of them are still profitable. But because of the marginal position of some of them, starting from the end of the war, these companies have been able to take advantage—

HON. L. M. FROST (Prime Minister): Mr. Chairman, may I point out to the hon. member for York South, my recollection is that the mines he mentions have acquired large investments elsewhere. For instance, Hollinger has very heavy investments in the iron mines of Quebec, and their income from that source is not solely attributable to their actual mining operations.

The hon. member for York South can quite understand that one of the problems—Hollinger having been mixed up in the trouble of 1953 as I will explain to the hon. member afterwards—one of the questions was, would Hollinger be placed in an uneconomic position so that it could not operate the mine? If so, they would still have a large income and revenue from their investments, which might pay their dividend rate. I do not know if it would, but that is substantially the position.

The other problem was, would the mine be, to use a mining expression, "high graded" and would the good ore

be taken out and the lifetime of the mine shortened to 4 or 5 years, instead of an anticipated lifetime of 20 years?

That is the situation, Mr. Chairman, and I do not think the hon. member for York South can actually compare the figures that he has there.

MR. MacDONALD: Quite frankly, Mr. Chairman, I am not in a position to say whether the figures I have here, as far as Hollinger is concerned, involve the iron, as it were, subsidizing the gold mining industry. I do know, however, that normally the research boys in the United Steel Workers of America are very competent and careful economists, and I would be very much surprised if in this respect they were giving figures which included the subsidization of Hollinger by the iron ore industry.

HON. MR. DUNBAR: Has the hon. member the figures for Lakeshore, for instance?

MR. MacDONALD: Is that the one into which the hon. Provincial Secretary put money, and it disappeared?

HON. MR. DUNBAR: Let the hon. member give us the figures for Lakeshore.

MR. MacDONALD: Mr. Chairman, I have not the figures on Lakeshore, but the hon. leader of the Opposition just now pointed out to me that the report says this maintenance of dividends in the face of growing profits is explained by the decline of non-operating or investment income.

That is part of the story, but the other part is that in the last 10 years, these suppliants — these great, strong free enterprisers—have gone to the federal government, which has paid them some \$80 million in the emergency subsidies.

HON. P. T. KELLY (Minister of Mines): Mr. Chairman, may I point out to the hon. member for York South that there are 32 gold mines, of which 3 are paying and the other 29 are subsidized.

MR. MacDONALD: I know. I have listened and read the Canadian

Pacific Railway documents about how difficult it is for them to keep paying, and they bleed revenues off into the Consolidated Mining and Smelting Company, so that they can look as if they are on the same level as the Canadian National Railway and can plead for freight rate increases. What goes on in the books of corporations is a weird and wonderful thing. It is like the "hugger-mugger" activities which go on with the government sometimes.

HON. MR. KELLY: Might I question that, because the EGMA payments made by Ottawa are based on audited statements, and if the statement made by the hon. member for York South is correct, then these audits cannot be worth very much.

MR. MacDONALD: All I am repeating is that a good section of the gold mining industry is not a poverty-stricken, struggling industry which cannot carry on. Quite frankly, may I inform the hon. Minister I was very much interested in the trip through northern Ontario which was taken both by myself and the hon. member for Wentworth East on behalf of his Party, as members of the committee, and on at least two occasions, unsolicited — I will not name the people—but they were people associated with the industry, who were not managers, but still associated with the industry—

HON. MR. KELLY: I know, Mr. Chairman, the hon. member never mentions names.

MR. MacDONALD: I shall not name them, so hon. members need not start calling upon me to name them. They made the statement that as far as they were concerned they could not see any justification for the continuance of this subsidy by the federal government. If the industry cannot stand on its feet—that portion of it which cannot—let us not have these people asking for it.

HON. M. KELLY: That is exactly the attitude taken by Mr. Millard in Timmins when he said:

If they cannot pay wages, let them shut down. Let them shut down the schools and render valueless to people the homes they have bought.

We cannot take that attitude in the gold mining industry.

MR. MacDONALD: Mr. Chairman, the CCF has quite a number of people in that area and in comparable mining areas in Nova Scotia. We are familiar with this problem. We do not want to sacrifice whole communities, particularly the workers who have invested their life savings there.

HON. MR. KELLY: Mr. Chairman, it was said by Mr. Millard on a platform in Timmins:

If you cannot pay the rate of wages required, better shut her down.

He is one of the leaders of the Party.

MR. MacDONALD: Not only is it due to an industry but, to a large extent, a profitable industry, as indicated by the figures. I am not ignoring the fact that part of it is marginal. Some of the companies like the Porcupine and others are just as profitable as some of those in southern Ontario.

In addition to that, there is a whole range of subsidies. For example, new mines are given a 3-year exemption from the payment of corporation income tax. Also, there is granted a depletion allowance of 40 per cent. in gold mining, whereas in other metals it is $33\frac{1}{3}$ per cent. of profits. In other words, even the outright payment of emergency grants is not the only kind of subsidy.

Undoubtedly, part of the gold mining industry is sick—the marginal mines. What the answer is I do not know, and I discovered that most of the mine managers did not know when he had an opportunity of discussing the matter with them. There was a sizable section which was profitable and which was hiding behind the weak position of marginal mines, using that as an excuse not to give the communities what they deserve, and the workers involved the wages and the fringe benefits they

should have, pension benefits and other things.

As a result, gold miners today are the poorest paid workers in Canadian heavy industry. The booklet, *Comments on Gold Mining*, Vol. 5, No. 9, gives the following in an article by Harry J. Waisglas:

Gold miners are the poorest paid workers in Canadian heavy industry. Their regular working hours are much longer than the generally established standard in light as well as heavy industries.

Aggravating the depressed wages' and hours' conditions is the fact that the gold miners receive hardly any of these so-called "fringe benefits."

I leave that matter there. I trust that this government, which has spent some thousands of dollars in preparing a report which is a purely academic pursuit and which has produced no policy, will tell us about it. Otherwise there is no justification for having spent the money.

May I suggest to a few of the government "back benchers," if they are not interested in taking a look at the Estimates, they should go home? I want to say to you, Mr. Chairman, and to the hon. Prime Minister that I am getting sick and tired of this. When Opposition members rise here to take a look at the Estimates, as it is our duty to do, government members who are not interested, and who want to go home, should go home, and let those who want to deal with matters of public interest have a chance to do so.

HON. MR. FROST: Mr. Chairman, I think we might get along better if we pursue this more calmly.

MR. MacDONALD: Is the hon. Prime Minister speaking to them or to me?

HON. MR. FROST: Mr. Chairman, I am speaking to all sides, the hon. member included. We should go on a little more calmly. The hon. member is speaking about Estimates for The Department of Mines. As a matter of

fact, I do not think this work was provided for in The Department of Mines' Estimates. However, I have no objection to the hon. member mentioning it. If he will leave out the oratory, and ask a question, I would be delighted to answer.

MR. MacDONALD: Mr. Chairman, we have listened to a lot of oratory from the hon. Prime Minister. Every time he wants to make a point, he starts to "brow beat" the Liberals about what they did in 1943.

HON. MR. DUNBAR: The hon. member need not be looking for sympathy.

MR. MacDONALD: Mr. Chairman, 84 hon. members are not going to silence me, nor any of the rest of the Opposition. Let the hon. members face that fact.

HON. MR. DUNBAR: Do not look for sympathy.

MR. MacDONALD: Mr. Chairman, I wanted to raise a question which is inherent in this gold mining matter, but which is also a specific matter. When we were in northern Ontario, one of the things which interested me—and for reasons which are beyond my control I did not have an opportunity to examine the point in detail—was the aluminum therapy development of the McIntyre Mines. We were given a great deal of information—or propaganda—about this as a solution to the silicosis problem in the gold mining area.

I want to ask this government whether it has any outside medical authority, either in Canada or Britain or anywhere else, which has assessed this so-called aluminum therapy process and which could come up with a suggestion as to whether this is a cure for silicosis. There is a reason why I raise that matter now.

In January, 1950, there was published, in the *British Journal of Industrial Medicine*, an article dealing with this whole matter, and which had reference to the so-called "Denny Process," that being the name of the engineer in the

McIntyre Mines who had developed it. He said:

During the last 10 years, several attempts have been made in this laboratory to produce silicosis in rats, guinea pigs and rabbits by the tumble-mill dusting technique of Denny and others, and to prevent silicosis by dusting similar animals simultaneously, or alternately, with quartz dust from a rubber lined mill and aluminum from a mill containing shot and slugs of the metal. These experiments have been unsuccessful.

There was a further experiment in 1948 by Mr. B. M. Wright, who was one of the men involved in connection with this matter in the Postgraduate Medical School of London. The experiment in 1948 by Mr. Wright showed a possibility of some retardation of the lung damage by the use of aluminum powder, but this single experiment was of far too short duration to be of much value.

The article in the *British Journal of Industrial Medicine* concludes as follows:

For the moment the careful investigation and suppression of industrial dust seems to be the only way in which there can be any confident control of this most serious of industrial diseases.

The authoritative publication which I have here, on gold mining, points out, in an article:

Other authorities are even more forthright in their estimate of the value of aluminum therapy. Medical opinions run from cool objectivity to downright condemnation. But none suggests its use, except for experimental purposes.

That is, as far as I know, the only outside medical judgment on this aluminum therapy proposition.

HON. MR. KELLY: Mr. Chairman, I think the hon. member is scarcely being fair. This investigation started in the Porcupine camp over 12 years ago.

The treatment is one which has been asked for in other provinces. I do not wish to name any province at the moment. The administration of this whole investigation has been under Dr. Lane, who ranks as one of the outstanding authorities in this matter in the province of Ontario.

MR. MacDONALD: Mr. Chairman, I do not want to get into an argument.

HON. MR. KELLY: I am giving the hon. member the names of doctors.

MR. MacDONALD: Is this regarded by people, other than those in the McIntyre Mines, as a real solution of the problem silicosis?

HON. MR. KELLY: Yes, it is regarded as such by the Porcupine Medical Association, for one.

MR. MacDONALD: The Porcupine Medical Association is very deeply involved in the situation. I am rather interested in this matter and have given quotations from authoritative medical associations and journals which cast very serious doubt on this point.

The reason I am asking whether any other independent body has come to a conclusion, is that I was interested to learn that this government of Ontario, in 1949, appointed a committee to make a statistical study of the silicosis cases, based on the report of the Workmen's Compensation Board. My information is that there has been no report from that statistical study, which was initiated by this government some 6 or 7 years ago. What is the government's view, both on the statistical study it has made of silicosis, and on the aluminum therapy procedure, upon which outside medical authorities are casting doubts as to its being as effective as the McIntyre Foundation says it is?

Mr. Chairman, I know that many workers in the industry are not persuaded this is the whole answer to silicosis. Maybe the McIntyre Foundation is satisfied, but the workers are not, and they are the people who have an intimate association with silicosis.

HON. MR. KELLY: There has been 12 years of research by combined medical authorities. I suggest to the hon. member that is a pretty fair effort.

MR. MacDONALD: Mr. Chairman, the hon. Minister has not answered my question.

HON. MR. FROST: In connection with the report, Mr. Chairman, *The Economics of the Gold Mining Industry*, the origin and genesis of that report, as the hon. Minister of Labour (Mr. Daley) knows, was in connection with the Hollinger strike two years ago last fall, which terminated after a very great deal of difficult negotiating, about Christmas, 1953. The situation was one in which there were certain very obvious facts.

There was the fact that in the iron and steel products manufacturing industry, in the Toronto area, the average hours were 40 or 41 per week. In other metal mining in Ontario, there was an average of those hours, or a little less. In gold mining, the hours were between 45 and 46 per week. The average hourly earnings were very considerably less in the gold mining industry. In the iron and steel industry the rate was above \$1.50 per hour. In other Ontario metal mining industries, the rate was over \$1.75 an hour.

MR. MacDONALD: In other words, the workers are subsidizing this industry.

HON. MR. FROST: Mr. Chairman, I am giving the facts. In the gold mining industry the wages were running from \$1.28 up to about \$1.35. That was the picture. That was the problem with which the hon. Minister of Labour and I were confronted at that time. In the end, it was necessary to intervene to try to bring these people together, after a strike lasting many months, which seemed to be getting nowhere. We communicated in that case with Mr. MacDonald, the head of the steelworkers in the United States, and he sent a solicitor for the union, Mr. Goldberg—whom I found to be a very fine gentleman—to look into this matter. He

was representing the unions at the international level.

The problem with which we were faced was something of this nature. We had to take into account the state of this industry. Hon. members have heard some mention made of suggestions that certain mines should be closed down entirely and forgotten, that there was no future for them, when the price of gold was anchored at \$35 an ounce.

However, many of the workers had been there for years, and had devoted their lifetimes to that industry. That is the industry they knew, and with which they lived and the problem was whether they should pull up their roots and go somewhere else. That was very fairly discussed and Mr. Goldberg asked:

Is it worth while continuing on?
We have varying opinions.

I remember reading statements by the heads of the industry, and the point was made that there was a question of going beyond a certain point. Was it advisable to operate that portion of the industry or would it be better to close it up? Would it be better to salvage what one could and close up then? These were the problems. As a matter of fact, one received one view from certain of the employees, and another view from those on the employers side.

There were great differences of opinion. Mr. Rickaby, the Deputy Minister of Mines, was with me at very many of these conferences and he knows the various pros and cons. However, I might summarize it in this way. Mr. Goldberg and some others said to me: "Who is right? What are the facts? We have heard so much and it is so confusing. It is very difficult to draw a conclusion."

In the end, it was agreed the strike had gone on to its weary end.

Both sides—particularly the union—felt it was desirable this matter should be looked into in an impartial way, as to the position of the economics of the gold industry generally, in view of the contribution which gold had made to Canada—in view of the contribution,

remember. It was a prosperous industry in the 1930's. While other industries were in difficulties, they were the rich relatives, and they have gone from being rich relatives to being poor relatives, a very difficult and unfortunate situation.

As a result of that, at the time of the termination of the strike, I undertook to have an independent survey of this matter made, with a view to gathering together the basic information upon which people could form their judgment, and that is the way the matter was left. I will say that, in getting those who would look into the matter impartially, I turned to our universities, and I think we were very fortunate indeed to get the services of Prof. Frank Knox, the head of the Department of Political and Economic Science at Queen's University, with whom the hon. members are very well acquainted; Prof. Riley who has the same standing with the University of Western Ontario, and Prof. Rice, the head of the Department of Mining Engineering at the University of Toronto.

This report, I think, is a very factual one, brought about by people who have no possible interest other than to give the very best service they can to the employer, the employee, and to the people of this province. This report is not academic; as a matter of fact, it is very factual.

MR. MacDONALD: The mining people think it is academic, and said so at our meetings up north.

HON. MR. FROST: They may say so, but the basic fact really is, the price of gold is \$35 an ounce. It is fixed. It is there. It is outside the power of the government of Canada, or any force within Canada, to change it. If the price of gold went up by \$10 an ounce, I assume the miners and the mining municipalities would again be the "rich relatives", that is the situation, and it is on that that everything hangs.

On the other hand, the value of this report lies in the fact that these gentlemen, two of them economists of note and one a mining engineer, hold out,

for the people of Timmins and Kirkland Lake that this, in their opinion, is by no means a lost cause. There are going to be difficulties in the mining industry, but nevertheless it is well in the interest of our country to try and hold this thing together. That fact is well worth knowing.

The question at the time of the hearings, or the negotiations was: "Is it worth-while to continue? Would it not be better to move the miners out?" That is the viewpoint some people took.

MR. MacDONALD: Mr. Chairman, I know the hour has come when you would like to adjourn, but I want to make this one point. The reason I am raising it is that I know there is a problem. That is obvious. I do not complain that a study was made, but my complaint is, what is the government going to do, emerging out of the study? The hon. Prime Minister said that in his discussions with Mr. Goldberg he was asked, "What are you going to do? Are you going to move these communities out?" and so on. I point out to the hon. Prime Minister that is actually what is happening in the gold industry in the north, because of the low wages, because of working conditions, because of the lack of fringe benefits. They are getting out. There are 80 families in Kirkland Lake where the men have moved to the uranium fields in Blind River, and by the end of the school term, they will take their families down there. The only thing keeping them is that they have not decent accommodation there as yet. Those people are going, and the companies are bringing in cheap Italian labour, or Italian labour whom they can hire cheaply, to fill the gaps, when our own people move out. The government is not solving the problem at all; it is simply transferring it.

HON. MR. FROST: Mr. Chairman, I would point out to the hon. member for York South that we have as a supporter of the government the hon. member for Cochrane South (Mr. Spooner), a mayor of one of those fine cities, a man who has spent a lifetime

in that community. What has been done is the federal government introduced their gold assistance provisions, and I would say that despite what might be said about it, if it had not been for the gold assistance provisions of the federal government, many of the mines which are operating today would be closed. That was a very substantial thing. As a matter of fact, I think the gold assistance provisions, to assist the gold mines, amounted to something like \$12 million a year. At the time did we suggest that be extended. As a matter of fact, at the time of the strike, I went down to see Rt. hon. Mr. St. Laurent, and he agreed to extend the gold provisions. That is one thing.

The second thing is this—and I do not think I can call a better witness to my side than the hon. member for that riding. The government has given very great assistance to those municipalities, through the apportionment of the mining tax, assistance which previously was not given at all. I do not know how much money is being distributed in these payments, but I would imagine it would be in excess of \$1½ million, to assist those communities in carrying on in these days when mining profits are very, very seriously reduced. There are other things which I could tell the hon. member about, but those are the two principal items which have held things together.

MR. MacDONALD: The government was doing that before this report.

HON. MR. FROST: That is quite correct. Really, these things came into effect 3 or 4 years ago, and have been increasing since that time.

I am not depressed about the future in the Timmins or Kirkland Lake areas. I think the people are going to be reinforced by other metals which are going to be discovered there. As a matter of fact, it is only a short time ago that the asbestos industry started to develop. There are also possibilities of iron and copper in those localities, with a tie-in road from Timmins into the Chapleau area, which has increased the

possibility of further expansion and development. There have been very real things done to meet the situation there.

I promised we would adjourn at 5 o'clock this afternoon, but may I say that I was Minister of Mines at one time—believe it or not. I was Minister of Mines for some 6 years, and I was not distinguished for my knowledge of mining. Sometimes these technical fellows looked down on me, probably with some justification.

One of the first problems I had in 1943—and the Deputy Minister will well recollect this—was the problem which was placed on our doorstep of closing down the town of Cobalt. The hon. member for Temiskaming (Mr. Herbert) will recall that. The story was this: Cobalt was finished. There were a number of old prospectors living around there, and it was suggested we had better send them to an old folks' home and close up the town. We did not do that. As a matter of fact, we entered into a deal with the Canadian Bank of Commerce, with some misgivings on the part of some of my colleagues—and some of them were highly critical of it. We made an arrangement with the Bank of Commerce, and secured some funds to continue operation of the Temiskaming Testing Laboratory, and we carried it along. Finally, the tide turned, and Cobalt has become immensely valuable. Other minerals have been discovered, with the result that the old town of Cobalt is passing through a period of progress and prosperity, and is going to continue to be one of the great mining areas of Ontario.

I feel sure that will happen in the Kirkland Lake area. Parts of the problem in 1953 were personality com-

plexes, and clashes on both sides. I am not blaming either side. I just say there were faults on both sides. As a matter of fact, once we got the men back to work and things on an even keel, some of these companies have negotiated contracts which would have been considered impossible in 1953. I think there is a greater degree of happiness prevailing, than there was at that time.

Mr. Chairman, I promised the press to adjourn at 5 o'clock, and I might say to the hon. members that I have not been able to do as well with that promise, as the one I made in 1944, because it is now 5:15.

MR. MacDONALD: Here we go again.

HON. MR. FROST: Mr. Chairman, I move that the committee do now rise and report progress.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

MR. J. F. EDWARDS (Perth): Mr. Speaker, the Committee of Supply begs to report progress and asks leave to sit again.

Report agreed to.

HON. MR. FROST: Mr. Speaker, in moving the adjournment of the House, tomorrow we shall continue with the Estimates of The Department of Mines, and also the Estimates of The Department of Travel and Publicity, and following that continue the Budget debate if there is still time.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 5:15 of the clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Friday, March 16, 1956

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

FRIDAY, MARCH 16, 1956

1 O'CLOCK P.M.

And the House having met.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of Bills.

Orders of the day.

MR. J. W. SPOONER (Cochrane South): Mr. Speaker, before the Orders of the day, I would ask the indulgence of the House to comment on a remark made yesterday afternoon by the hon. member for York South (Mr. Macdonald), in which he alluded to the immigration policy of the federal government, and suggested that the mining industry in northern Ontario was attempting to import what he called "cheap Italian labour." I resent that remark, because there are many people of Italian origin who reside in my riding and for whom I have the highest respect, for the contribution they have made to the economy of the province, and to Canada.

Mr. Speaker, I might remind hon. members that today in most of the

mining industry there are union agreements in effect between management and the miners; and certainly any new employee, whether immigrant or otherwise, will be protected by those union agreements.

It might be of interest to hon. members to realize that people of Italian origin were among the early pioneers in northern Ontario. They were in Cobalt in the early days, and helped to build the Ontario Northland Railroad, they were also in the Porcupine and Cochrane districts and throughout northern Ontario.

The families of those early immigrants are today merchants, farmers, doctors, dentists, lawyers and teachers. They are to be found in all the professions. Some of the people of Italian origin, educated in the schools of northern Ontario, are now teaching school in Toronto.

I would like also to remind the House that the former mayor of Cochrane was a young man of Italian origin, and served the people of Cochrane very well for many years. The present mayor of the town of Cobalt is of Italian origin. I am very proud to say that my successor in Timmins is a man born in Timmins of Italian parents, and is the first native-born citizen of our town to be mayor.

MR. D. MacDONALD (York South): Mr. Speaker, I rise on a question of privilege. What I said yesterday has been misrepresented—and deliberately misrepresented. I stated, and I corrected it within two words, that the reference “cheap” did not apply to Italian labour, but to the wages which the mine management wanted to pay them.

MR. J. A. MALONEY (Renfrew South): The hon. member said “cheap Italian labour.”

MR. MacDONALD: I said it and corrected it immediately, and I will find it here in *Hansard*.

HON. G. H. DUNBAR (Provincial Secretary): The hon. member may change *Hansard*?

MR. MacDONALD: I did not say “cheap Italian labour” as casting any aspersion on Italians.

MR. S. L. HALL (Halton): Apologize for having said it. Sit down.

MR. MacDONALD: I will not sit down and none of these “rubber stamps” wired for sound who sit on the back benches, are going to make me sit down. I am not apologizing, and when the record is read, hon. members will see that *Hansard* is correct. I corrected the phrase within four words of having said it. I said they were bringing in immigrant labour so that they could pay them cheaper wages, and maintain the substandard wages, which is the case in the mining industry.

HON. MR. DUNBAR (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

1955 Annual Report of the Ontario Northland Transportation Commission for the year ended December 31, 1955.

The House, upon Order, resolved itself into the Committee of Supply.

ESTIMATES, DEPARTMENT OF MINES

On vote 1,101:

HON. M. PHILLIPS (Minister of Health): Mr. Chairman, I would like to give the House a statement on silicosis, although it really is in the field of health. I will try to give hon. members very briefly some factual information on this condition known as “silicosis,” as it occurs in the mining industry.

The main offender is dust from mining gold. If we were to define silicosis, we would say that it was a fibrosis, or scarring, of the lungs. This results from the inhalation of particles of dust, which sets up a reaction, resulting in inflammation of the lungs, which, on healing, leaves a scar in exactly the same way as if we received a burn or an abrasion or laceration of the skin. When the skin heals, it leaves a scar, which we carry as long as we live.

Silicosis is not a disease, but a condition. In the year 1928, an Act was passed requiring that all employees who entered the mines had to have a physical examination and X-ray at that time and, also, an examination annually thereafter. Since 1928, we have had only 56 cases, I am speaking of the mining industry only—56 cases of silicosis which have produced disability. If I were to speak as a practising physician, I would say that psychological attitude of any person towards silicosis is the most serious part of his disablement.

As a matter of fact, the human frame was given many “spare tires”. For instance, we require only one-quarter of our lung area to live reasonably well. We could have a silicotic condition, involving an entire lung, and yet it not considered a physical disability. The important thing is that any real disablement is not due to silicosis alone, but rather to the implantation of tuberculosis on this condition. Anyone with silicosis is certainly much more susceptible to tuberculosis. This does cause 100 per cent. disablement, and in the past, the picture was very dark indeed, and

usually the patients died, very soon or within a few years afterwards. Today that picture has changed, by the use of antibiotics and we can cure some of these cases, and we usually can assist the others a great deal.

It is absolutely impossible to cure a person of silicosis, that is, up to the present, science has not found an answer to it and I doubt if it ever will. When it occurs, the portion of the lung affected is destroyed, and it is impossible ever again to produce alveoli, or air spaces, in these scarred areas. The important thing is in the field of prevention.

The hon. Minister of Mines (Mr. Kelly) has done a great deal to continue the research work, which was carried on by his predecessor. He has increased that research work into the prevention of silicosis, in other words, the control of dust.

Mr. Chairman, I wish to mention four or five main measures in the preventive field. The first is the examination when a man enters the mine, and then annually thereafter. If the doctor finds that early silicosis is setting in, the person is advised to leave that industry, and go to an industry where there is no dust.

The next method is ventilation. Where feasible, they use a suction system, and where they get far underground they use forced ventilation. I want to pay a tribute to the mining companies for what they have done in that respect.

Then there is precipitation by means of water sprays. This precipitates the dust particles from the air, and is closely associated with a forced ventilation system. Practically all the mines now have wet drills, which means that water is poured on at the source where the dust comes up, and the walls are kept wet.

The fourth method in the mining industry is this. When a man comes to work in the morning, it is compulsory for him to take off all his street clothing in room No. 1. Then he passes through the shower room and, in the next room, he puts on his work clothes. When he stops work for the day, he is required

to remove all his work clothes, have a shower in room No. 2, and then proceed to the locker room to get his street clothes before going home. The last method is known as "the aluminum therapy method." Since the hon. member for York South made his remarks last night, I have been in touch with the University, and with those working on aluminum therapy, and this is what they told me.

Since about 1943, efforts have been made to prove, or disprove, the value of aluminum therapy in both preventive and curative fields. I may say that in the treatment field, it has been found to be of absolutely no value. In the preventive field it is of questionable value; nevertheless, they feel it should be carried on.

May I say here that it is our understanding that the unions in our mines are asking that this be discontinued. I am not sure about that, but that is what I have been told. There has not been sufficient time to prove or disprove this method, but where they think it is of value, is where the men change their clothes or, particularly, in a confined area. Aluminum powder is blown into the air of the change room, and if the man has inhaled any of the dust the aluminum forms a coating around each particle of dust, so when it is inhaled, it does not become an irritant and set up the inflammation which results in the scarring, which is silicosis.

I hope I have given hon. members some factual information today, from the medical standpoint.

Mr. MacDONALD: Mr. Chairman, may I make a brief comment? I do not know what the hon. members are applauding, as the hon. Minister has in effect, just substantiated the doubts I raised in regard to this matter. He had better listen or, sometime, he will pound at the wrong time.

HON. MR. PHILLIPS: I was not answering the hon. member. I was giving the House information, which is my right.

MR. MacDONALD: That is quite true. This is a neat form of words. I raised it in the House yesterday. The hon. Minister makes a statement today which is not answering mine. Quite true—it is substantiating me. I just want to make this explanation.

The hon. Minister has stated that as a treatment aluminum therapy is of no value; as a preventive measure, it is of questionable value. The reason I raised it yesterday was, if hon. members had gone to northern Ontario with no other information than that which was given to us, we would have come away with the idea the aluminum therapy process is not only an effectively-developed one, but is meeting the problem of silicosis. Now we have an authoritative statement that it is not. That is the information I was seeking and I appreciate it. Just before I sit down, for the official record, may I quote an item that is in yesterday's *Hansard* on the point which was deliberately misrepresented by the hon. member for Cochrane South. The relative sentence—when I was speaking about the workers moving out of South Cochrane and going to Blind River is this:

Those people are going and the companies are bringing in cheap Italian, or Italian labour.

Quite rightly, *Hansard* corrected it immediately.

MR. D. M. KERR (Dovercourt): The hon. member said it.

MR. MacDONALD: I corrected it immediately and said "or rather, Italian labour whom they hire cheaply to fill the gaps, when our own people move out". Since it was a correction within four words, *Hansard* has struck out "cheap Italian labour".

MR. G. C. WARDROPE (Port Arthur): They cannot do that.

MR. MacDONALD: They can do that. I corrected it on the floor of the House.

MR. J. A. MALONEY (Renfrew South): They cannot strike it out. What is the matter with Italian labour? Why does the hon. member refer to "Italian labour"?

MR. MacDONALD: There is nothing wrong. I referred to "Italian labour" because there are developments in the northern Ontario regions at the present time in which mining people are going to Italy and getting Italian labour to fill the gaps, because the workers are leaving the area, and Italian labour will work for lower wages.

If the hon. member for Renfrew South knew something of this, he would be able to contribute something more than sound and noise.

MR. A. GROSSMAN (St. Andrew): If I may speak on this matter, I was inclined to raise this question myself, but I think the hon. member for York South has missed the point. I do not know why he needed to bring the country of origin of these people into the question at all. He is an intelligent man, and must know that sort of statement would bring aid and comfort to those who oppose immigration generally. In all kindness, this is an example of the careless, loose, and sometimes abusive language which is indulged in by the hon. member for York South. I say that in all kindness, believe me. As a matter of fact, he has charged in the past, indeed he uses words referring to the hon. Prime Minister as being an "old smoothie".

MR. MacDONALD: "Political smoothie".

MR. H. C. NIXON (Brant): I thought that was complimentary.

MR. MacDONALD: It was a compliment. Many of the hon. members would not be here if he were not such a "political smoothie".

MR. GROSSMAN: It is the sort of language which the hon. Prime Minister would never think of using, because he is considerate of the sensitivity of

people. I would suggest the hon. member for York South should emulate the hon. Prime Minister and be careful of the sensitivity of people in all his speeches.

MR. MacDONALD: I propose to say one more thing. If the hon. member would like to look through the files of the last two or three weeks of the northern Ontario papers, he will find story after story about this, because it is a very controversial issue in northern Ontario. Mine management happens to be getting labour in the first instance from Italy. I was just referring to Italian labourers coming in and this petty politics of construing it as a racial inference is not right.

MR. GROSSMAN: Does the hon. member agree he should not have said it?

MR. MacDONALD: No, I was quoting northern Ontario papers.

MR. SPOONER: I would like to refer the hon. member for York South to Rule 18, and I would ask him to withdraw the suggestion that I deliberately misrepresented anything. I will read Rule 18, which says,

No member shall speak disrespectfully of His Majesty, nor shall he use offensive words against any member of the House, nor shall he speak beside the question in debate.

MR. MacDONALD: I have no intention of withdrawing it. I corrected it on the floor of the House, and *Hansard* substantiates it. If the hon. member had been listening as carefully as he should have, instead of making political capital out of it, he would have recognized that was the case, and in raising it today, it was a deliberate misrepresentation, made for political purposes.

MR. SPOONER: I demand the hon. member retract it.

MR. MacDONALD: I have no intention of retracting it.

THE CHAIRMAN: Order. To the hon. member for York South I would say I think possibly you are imputing improper motives, as far as the hon. member for Cochrane South is concerned, and which should be withdrawn.

MR. MacDONALD: I am not imputing improper motives to the hon. member for Cochrane South. I made a statement in the House yesterday. I corrected it within a matter of seconds. *Hansard* justifies and substantiates the correction, and if the hon. member raised it today it is just for political purposes, and imputing a lot of motives to other people. I cannot see why I should be asked to retract something which I said, but which is not an imputation of anything.

THE CHAIRMAN: Did the hon. member not say he "deliberately misrepresented it"?

MR. MacDONALD: Yes, I said he "deliberately misrepresented it," because if he had listened carefully he would have noted I corrected it on the floor yesterday.

MR. W. E. BRANDON (York West): Take it back.

MR. MacDONALD: I will not. *Hansard* substantiates my correcting it.

MR. F. R. OLIVER (Leader of the Opposition): I do not know what the hon. member said, but he keeps reiterating that *Hansard* recognized he should correct it. To me, that is immaterial. Neither *Hansard* nor the hon. member has the right to take back words which are used in this House. If they were used in this House, they must and should appear in *Hansard* as such. Any correction which the hon. member may care to make of words already uttered would follow the remarks in *Hansard* and stand in *Hansard* as a correction of that statement.

MR. MacDONALD: They are there.

MR. OLIVER: The point the hon. member is making is that the original statement was since corrected, and has been deleted from *Hansard*.

I suggest to the House—and I am not taking sides on it. I think the House will appreciate that—but to me there is a principle involved here which, when a man has made a statement in this House, it stands in *Hansard*. He may correct that statement, or he may alter it in some way, and the alteration will also stand in *Hansard*, but we cannot have the alteration of *Hansard* with the basic statement removed from *Hansard*. I suggest to him we cannot go on like that.

MR. MacDONALD: I have no objection to the correction that has been deleted in *Hansard* going back in. If it does, it will read this way:

Those people are going, the companies are bringing in cheap Italian labour, or Italian labour they can hire cheaply, to fill the gaps when our own people move out.

I have no objection to that, and if the hon. member for Cochrane South, or anyone else, want to go about and misrepresent that as a retraction and deletion, let him try, because the “petty politics” will not succeed.

MR. SPOONER: The point I want to make is, that this afternoon the hon. member said I “deliberately misrepresented”, and that is the point I want to clear up, Mr. Chairman. I want him to retract that statement, the same way he retracted the statement yesterday about cheap Italian labour.

MR. MacDONALD: For the life of me—I hope my logic is straight here—if I corrected it there, and he saw the correction which is in *Hansard* as a correction, he imputes motives to me as imputing motives in *Hansard*, and in turn, says I am imputing motives to him.

THE CHAIRMAN: I doubt very much if the hon. member for Cochrane South has seen *Hansard*.

MR. MacDONALD: I am saying to him now if he thought I was imputing motives, why did he not rise in his place yesterday and say so?

THE CHAIRMAN: Withdraw it.

MR. MacDONALD: If you, Mr. Chairman, and the hon. member will feel happier, I will withdraw it. It is in *Hansard*, and it is quite clear as to what I meant.

MR. SPOONER: It will be quite clear to the people of northern Ontario of Italian origin as to what the hon. member meant.

MR. MacDONALD: Is the hon. member trying to misrepresent it again, Mr. Chairman?

THE CHAIRMAN: I am calling the hon. member for Cochrane South, to order.

MR. MacDONALD: He has just imputed the motive that I am casting reflections on Italians. I demand him to withdraw that statement.

THE CHAIRMAN: Both sides withdraw, please.

MR. SPOONER: I withdraw.

THE CHAIRMAN: I will say to hon. members of this House, from now on there will be no “give and take” at all. It will be “right on the line.” We have been trying to be as generous and as lenient with everyone as possible. I think it is time to remind you there is such a thing as Parliamentary procedure. I think we are old enough, and should know enough, to make our remarks coincide with what is right and proper in this Legislature.

Vote 1,101 agreed to.

Vote 1,102 agreed to.

On vote 1,103:

MR. MacDONALD: Mr. Chairman, when we were in northern Ontario, a meeting of the committee was held with the unions in that area in northern Ontario, and they brought before that committee, some very serious charges. The committee was so impressed with the seriousness of those charges, that they have agreed to meet down here

and have a full presentation of this and on the whole problem of mining safety in northern Ontario. I think this House should be aware of those charges. I think hon. members should sit in on the Committee on Mining meeting next Wednesday, and listen to the discussions, because in regard to the charges, there is at least *prima facie* evidence on the part of the workers of northern Ontario that there has been going on for some time—and they cite a couple of cases as documentation for it—what they describe in their brief as “collusion” between the mining industry, and the Inspection branch of The Department of Mines, with the result that when fatality cases have been brought before a coroner’s investigation, generally the mining company for some reason or other, which does not have relation to the facts, was freed of any responsibility. They have brought in evidence in one case, which in their opinion—and which I think is justified—represents a violation of the Act for 19 years; yet this evidence never came before the investigation. The Mining Inspector, who had been aware of it for the last 19 years, did not submit the evidence. Therefore the coroner’s jury did not bring down a verdict, fixing the responsibility where the workers believe it should have been placed. Therefore, the man who was the father of 12 children, and had lost his life because of the fact he had fallen off a hoist down a 112-foot shaft, was killed, and no responsibility was fixed; it was an act of God.

When the workers met the committee in northern Ontario, they were under no illusions as to the seriousness of this charge of collusion.

They will be given an opportunity to place the evidence of this charge before our committee, and I think this House should be aware of it, because it is an exceptionally serious situation, if, in fact, the safety rules in northern Ontario—those which are on the Statute books, and those which should be added to the Statute books—are being winked at because of collusion between the mining management and the inspectors.

HON. L. M. FROST (Prime Minister): I think it is going too far to say there is “collusion” between the Mines Inspectors and management. For one thing, I would say our Mines Inspectors are incorruptible. They are good people. It is a serious reflection on the civil service, and on people who have done a great job for Ontario, to say that.

The hon. member would do well to avoid those extreme statements. I have found, in my day, as Minister of Mines, that every effort was put forth to enact rules and to put them into force, which would prevent accidents. I had to do with the revision of the Mines Rules and Regulations, in my day. I want to say to the hon. member that in the investigations which took place in that matter, and considerations which were given to it, I am correct, I think, in saying that the representatives of labour sat on that committee, as well as representatives of management and our own Inspectors. We have had interest expressed from all over the world in relation to our rules and inspection system. Mine rules in Ontario were acknowledged by those who contacted us, coming from a wide area—my recollection is, interest was expressed even from South Africa. Our Mines Rules and Regulations and the enforcement of them were really considered the very best that could be found anywhere.

MR. MacDONALD: I want to make this observation: in spite of what the hon. Prime Minister has just said, there are many people who are persuaded that the relationship between Mining Inspectors and management is a “cosy” relationship.

That kind of thing results in evidence not coming before these fatality enquiries and the workers in the area have made those charges. It is their statement and I am merely repeating it. They are in a position to document it, and they will be coming here to document it on the 21st.

HON. MR. KELLY: I would like to add one remark to what has been said here. Our Mining Inspectors are outstanding, in that they have produced

the best record of safety of any mining area in the world. That statement will stand up in any House, anywhere in this world.

The second thing is, they cannot speak for themselves. I, myself, say there are, in my opinion, some motives which might be attributed to these statements which cast doubts on the administration of those men in their jobs in northern Ontario. The day that unions or mine management can "push around" Mine Inspectors, they will lose their effectiveness.

MR. SPOONER: I would like to say a few words about this as Chairman of the Committee on Mining. Those hon. members who were with us on this trip a few weeks ago were impressed by the presentations which were made by the representatives of the Steel Workers of America.

I, for one, was pleased to have them come to our meeting, because they live in my part of the province. I know they have had some problems they would like to discuss with us in the hope that we can assist their case. They did mention two cases. We were not a court of law, and those cases are under investigation at the present time. As I say, we are not a court of law, which heard evidence, nor was any evidence presented to us.

MR. MacDONALD: One case is concluded. It is not under investigation.

MR. SPOONER: Let us deal with that in due course. Let us be fair, may I say to the hon. member for York South. Let us give the representatives of the steel workers, or any other union which is interested in the mining industry, a chance to come to us and discuss their problems in an air of justice, and not attempt to cover every case in this House, because if we do, we will fail them, as we will, if we follow the *modus operandi* which the hon. member for York South suggests. I think perhaps they might come up with some representations which might

be of interest, and we can study the project sufficiently so that we can satisfy ourselves as to what should be the situation.

If we attempt here to make these cases any more involved than they are at the present time, I am afraid we will not be fulfilling the reason for the appointment of our committee, nor assisting the people concerned in a settlement of their problems.

MR. BRANDON: Mr. Chairman, if I may say a word in regard to the occurrence in northern Ontario. The hon. member for York South inferred there was *prima facie* evidence adduced before the committee. There was not. Certain union representatives came before the committee with a brief which had been prepared by members of the union, but none of the members of the union who appeared before the committee had been in the employ of the company, nor had they any personal knowledge of the facts stated in the brief. It was hearsay, as far as they, as individuals, were concerned. That is why the Committee on Mining decided it would be better to have them meet with the committee in Toronto.

MR. MacDONALD: Mr. Chairman, that is a complete misrepresentation of what happened in the committee.

MR. BRANDON: It is not, Mr. Chairman.

MR. MacDONALD: Just listen to the other side of the story. These men came up with a wooden structure to represent what happened in a shaft, and they presented a clear-cut case as to why they were convinced there was a violation of the safety regulations, and that the violation had been going on for 19 years, and in their brief—which I shall not read, as the hon. member has seen it—they said the inspector knew about the violation, and had known for 19 years, but had done nothing about it.

MR. BRANDON: They had no personal knowledge of the facts, and commented only on what was in the brief.

MR. MacDONALD: I submit they did.

MR. BRANDON: No, they did not.

MR. MacDONALD: There were others there, and they certainly had personal knowledge. They had built a wooden structure for the committee, and they were convinced there had been a violation of the safety regulations, and most of the committee were persuaded because they produced this structure, which they had built after hours of labour, and these boys gave us a clear picture, that there was new evidence that there had been a violation of the safety regulations, which was known to the inspector, who was aware of that violation, because he had been in the mine himself, but had not given that information to the coroner's jury.

Votes 1,103 and 1,104 agreed to.

On vote 1,105:

MR. T. D. THOMAS (Oshawa): Mr. Chairman, I wonder if the hon. Minister would tell us how many smelting companies contribute to the fund, and how many arbitrators we have at the present time?

HON. MR. KELLY: Two companies contribute to the amount of the expenses as shown there, and we have one arbitrator.

MR. THOMAS (Oshawa): Further to my question, Mr. Chairman, I wonder if the hon. Minister would tell us what qualifications are needed for that particular job. I am simply seeking information.

HON. MR. KELLY: The Sulphur Fumes Arbitrator in Sudbury is a graduate of the Ontario Agricultural College.

MR. MacDONALD: Mr. Chairman, I want to say a bit more on the question of the Sulphur Fumes Arbitrator in Sudbury. I want to suggest that the set-up we have in Sudbury with regard to damage from sulphur fumes is a highly

unsatisfactory set-up, basically it is, because the Arbitrator inevitably seems to be in the pocket of the company, because he is paid by the company.

MR. KERR: On a point of order, Mr. Chairman, do we have to listen to a speech every time a question is asked?

THE CHAIRMAN: The hon. member for York South has the privilege of speaking on any item in the Estimates.

MR. MacDONALD: Section 6(1) reads as follows:

A sum not exceeding \$10,000 in any year to cover the expenses of administering this Act, including the salary or other remuneration of the arbitrator, shall be payable annually to the province by the company or companies smelting or roasting nickel-copper ore or iron ore.

I draw that to the attention of the hon. Prime Minister and the hon. Minister of Mines.

Section 6 (2) reads as follows:

The arbitrator at the close of each calendar year, shall assess and apportion the amount for which each company smelting or roasting nickel-copper ore or iron ore is liable under subsection 1, among such companies and the amount assessed against each company shall be payable to the Treasurer of Ontario within 15 days after the mailing of a registered letter demanding payment thereof to the last known address of the company, but every assessment so made shall be subject to the approval of the Minister of Mines.

Here we have this kind of set-up; an Arbitrator, who is presumed to act impartially between the company and a farmer whose crops have been damaged; how are his expenses paid? How is he paid? At the end of the year, he totals up his expenses. He divides them up and charges them to the various companies.

Fundamentally, that is not a good situation. I want to read two or three

paragraphs written by people who have to cope with this thing year after year. These statements are from the Farmers' Union, which has a great number of members in the Sudbury area. In the last year or so, after years of not getting what they felt was satisfactory treatment, they appealed a case, and took it to the Municipal Board, and there they discovered the remarks of the Arbitrator were so confused and so inaccurate that they are now in a court action to have the whole situation reviewed. There were both discrepancies and incompetence in maintaining the records, which the Act demands he should have maintained.

This is what the Farmers' Union representatives have to say—people who have been coping with this kind of thing for years:

Our organization extends to the District of Sudbury, where the farmers there have a problem peculiar only to that area. Each year an unaccessible amount of damage is being done by sulphur fumes from the smelter plant of International Nickel Co., which damages are difficult to estimate.

It goes on to say:

While some provisions have been made for settlement to the farmers for immediate damage to crops, investigation by the Ontario Farmers' Union officials has revealed that the arrangements are not satisfactory as many farmers for the last number of years claim they have accepted what they felt was a sum which represented only a fraction of the amount of damage that was done, feeling that if they did not accept International Nickel Co's offer, they would get nothing.

May I call this to the attention of the House, Mr. Chairman, and to that of the hon. Prime Minister and the hon. Minister:

The farmers in this district have lost faith in the government arbitrator and claim he has offered as settlement, even less than the company involved had offered.

That change completely baffles me, but it comes from a responsible body, and must have the facts. It goes on:

One case is on record where evidence presented at a recorded hearing was so improperly recorded that corrections were later necessary and that the whole recording could not be used as evidence because of this. Farmers have even charged this arbitrator with irregularities in his report.

In view of the seriousness and of the circumstances a petition was signed by many farmers in 1955 which demanded that the arbitrator, Mr. Murray, be relieved of his position.

As the Act does not empower the Board to call a new hearing, we asked that this government now change the Act to make this practical, thereby making it possible to settle disputes without having to resort to court action.

We further ask that until proper legislation has been passed and is in force, that an impartial board, consisting of an equal number of company and farm representation, with an impartial chairman, be established and empowered to deal with all such damage by sulphur fume claims as may arise and that all such claims, irrespective of existing laws, rules or regulations, be promptly paid for on a basis commensurate to the amount of damage done.

That seems to me to be a very strange situation.

HON. MR. FROST: The hon. member for York South may know that there have been many negligence and accident cases, in which a fair settlement has been offered, but a litigant has gone to court and received, in many cases, much less, and sometimes, nothing at all. That does not mean anything.

MR. MacDONALD: This is the kind of thing the farmers have had to take for years, and it seems to me to be

of more than passing significance. Let me go back and re-read a portion of one paragraph:

One case is on record where evidence presented at a recorded hearing was so improperly recorded that corrections were later necessary and that the whole recording could not be used as evidence because of this. Farmers have even charged this arbitrator with irregularities in his report.

Does that sound like the making of a fair representation by an arbitrator, who is, in fact, paid by the company—

HON. MR. FROST: Mr. Chairman, I think the hon. member really should attempt to be factual. To say that Mr. Murray is paid by the company is completely erroneous. The hon. member for York South should know that.

What happens is that the Mining Department does make an assessment, which is a form of tax, on these companies. Mr. Murray is an experienced employee of The Department of Mines, a graduate of the Ontario Agricultural College, and I think formerly was an Agricultural Representative. I think he was taken over from the agricultural branch. He is a very valuable employee of the government, and to state that he is "paid by the companies" can leave no other inference in this House, but that he is an employee of the company, which is a completely wrong inference.

I have no desire to stifle the Opposition—as a matter of fact, I would rather encourage them—but I think the hon. member would make more marks in the long run, if he would avoid these extremely unfair statements. He has made such statements several times this afternoon. I do think, in the long pull, the hon. member would do much better to be factual and reasonable about these things.

MR. MacDONALD: Mr. Chairman, I draw your attention to section 1 of the Damage by Fumes Act, which suggests that his expenses and salary are added up at the end of the year. Section 6, subsection 2 reads as follows:

The arbitrator at the close of each calendar year, shall assess and apportion the amount for which each company smelting or roasting nickel-copper ore or iron ore is liable under subsection 1, among such companies and the amount assessed against each company shall be payable to the Treasurer of Ontario within 15 days after the mailing of a registered letter demanding payment thereof to the last known address of the company, but every assessment so made shall be subject to the approval of the Minister of Mines.

I suggest that the hon. Prime Minister may argue he is paid by the province, and the province in turn is reclaiming the amount from the company, but the very administrative procedure under which he works, states he receives the money from the company, and the amount of money he receives for expenses is drawn from the company. It is sort of a little circle, but, in effect, that is what happens.

HON. MR. KELLY: May I say to the hon. member for York South that no company has anything to do with the arbitrator's salary, whatsoever.

MR. MacDONALD: Mr. Chairman, I say the amount of his salary and expenses at the end of each year is assessed against the company.

HON. DANA PORTER (Provincial Treasurer): So what?

HON. MR. FROST: I would say to the hon. member for York South, this matter goes back many years, at least 30 years ago, to the days of hon. Charles McCrae. As a matter of fact, he was the author of this procedure.

What happened was that the copper and nickel mines in and around Sudbury were growing very rapidly, and there was gradually a rather considerable population located around the city of Sudbury. In the Sudbury basin, agriculture followed, locating in the open areas which were available in those days, and in the days when the sulphur fumes would spread over the occupied

area, it was necessary for a farmer, if he suffered damage, to go to the Division Court, and always after a very humid period, or if the wind was in a certain direction, there would immediately be sulphur burns, and there might be 30 or 40 farmers going before a district or county court judge, to have their cases tried.

So Mr. McCrae brought in this legislation, which has been extremely beneficial, providing that the company should bear all of the cost of this, and the government would engage an arbitrator whose duty it would be to keep records of the wind, temperature and humidity of the air, and so forth, and the minute there was any indication of sulphur burns, he would immediately go and see the situation on the ground itself. I point out to the hon. member that this resulted in taking away the necessity of having these people go to the Division Court every time they experienced a sulphur burn. That is why this provision was instituted.

I have not the figures before me, but they are of record that out of the hundreds of cases of sulphur burns, there were very few which reached the point of litigation at all. They were satisfactorily settled. There are, of course, inevitably, some residue of cases in connection with which there has been dissatisfaction, as there is in the administration of any problem of this nature.

In regard to Mr. Murray; may I say that representatives of the farmers spoke to me about this matter about a year ago, and at that time, as a result of what they said, I brought Mr. Murray down here, and had a consultation with him, and certain of the mining officials, and this problem was thoroughly discussed. I could not help but feel, when speaking to Mr. Murray, that he was a very able, capable and conscientious gentleman, and I am sure if he were brought before the Committee on Mining, that would be the assessment which the members would make of him. Admittedly, it is an area in which there will always be some difficulties, as long as the situation in

regard to sulphur fumes in that area exists. If Mr. Murray were to be removed, and placed in one of the other positions we have in The Department of Agriculture, as a Representative, for instance, and another man was brought in, I think he would have the same difficulty, in that he would fail to please 100 per cent. of the people. I would say that Mr. Murray is pleasing considerably over 95 per cent. of the people—probably 98 per cent. or 99 per cent., are dealt with to their satisfaction. In many cases, the matter has been settled, and they have been paid, right at the time.

I say again, Mr. Chairman, this is a matter on which there is nothing to be gained by exaggerations, which are sometimes made by hon. members of the House.

I have gone to Sudbury myself on several occasions, when I was Minister of Mines, in connection with this matter, and I am bound to say that while some dissatisfaction was expressed, there is nothing which could be devised which would get around all of the dissatisfaction. But, generally speaking, there is reasonable satisfaction in regard to this matter. I was in that area as late as last May, and at that time the people so expressed themselves to me.

When it came to my attention some years ago, I provided for an appeal. I do not know how many cases have been taken to appeal, but in the last 10 years or so, I doubt if there have been a half a dozen.

We provided a very satisfactory form of appeal to the Municipal Board, the idea being not to take the matter where there might be varied decisions by several county court judges—because that county is in a circuit—but we thought we would place it before a body where there might be orderly dispositions of the cases, along the same lines, practically, as we have been doing in the mining court.

MR. MacDONALD: The overwhelming majority of the farmers are not happy, and they are complaining about the whole procedure.

I do not know to whom the hon. Prime Minister has spoken, but I was surprised to hear him rise in his place and say there were 40 cases a year. Is that not what he said?

HON. MR. FROST: No, if I said "40 cases" I was incorrect for that is not what I meant at all. There are a great many cases. Mr. Rickaby tells me there are between 200 and 300 claims a year, many of which are settled before they reach arbitration. He deals with perhaps a half a dozen cases a year, and of those, the number which have gone to appeal to the Municipal Board, I believe, would not amount to half a dozen in 10 years.

MR. MacDONALD: I am interested in hearing the hon. Prime Minister say there is so little work to be done. I want to draw particular attention to that. Last year, Mr. Grummett asked a question on the Order paper, and received this answer:

In 1950, the salary paid was \$4,974.00; \$1,500.00 for expenses.

In 1951, he received \$5,200.00 salary and \$2,600.00 expenses.

In 1952, he received a salary of \$5,600.00 and \$3,700.00 expenses.

In 1953, \$5,800.00 salary and \$3,900.00 expenses.

In 1954, \$6,100.00 salary and \$2,800.00 expenses.

Frankly, Mr. Chairman, if the job is as small as mentioned by the hon. Prime Minister, I submit it is not a full-time job.

HON. MR. FROST: Mr. Chairman, I did not say the job was small, I said it was difficult and complicated. The salaries just quoted by the hon. member represent the usual salary increases which are paid to the members of the Civil Service, in that salary classification. The expenses shown there, of course, are the expenses of administering that problem. Mr. Murray has a big, and complicated job, and is doing exceedingly well. The hon. member from York South would be surprised

at the volume of cases there are, and, the very few which reach arbitration at all. They are satisfactorily settled before they ever get to arbitration.

MR. MacDONALD: I would like to make two suggestions in connection with this matter. I want to suggest to the government that his salary should be paid as now, and the department should not go back to the mining companies to have it repaid. It should be raised some other way. As long as there is the provision in the Act by which at the end of the year the man adds up his salary and expenses, and "divies" it between the mining companies, there is going to be a feeling, and rightly so, among the farmers that this man is in a difficult position to be impartial.

My second suggestion I want to put before the department, is that the Farmers' Unions, who have been struggling with this for years up there, suggest as an alternative, a much more effective thing.

We further ask that until proper legislation has been passed and is in force, that an impartial board, consisting of an equal number of company and farm representation, with an impartial chairman, be established and empowered to deal with all such damage by sulphur fume claims as may arise and that all such claims, irrespective of existing laws, rules or regulations, be promptly paid for on a basis commensurate to the amount of damage done.

HON. MR. KELLY: Mr. Chairman, before we close this one item, I would like to read from the *Family Herald and Weekly Star* of December 1, 1955, which deals with the Sudbury area. It reads:

Perhaps those of us who were critical of the area should have consulted government statistics before coming to hasty and harsh conclusions. Had I done so I would have known that the district has an annual oat crop of half a million bushels,

45,000 bushels of barley, 60,000 bushels of mixed grains and over 10,000 bushels of buckwheat. The 60,000 tons of hay indicates a live-stock population, so here are some more statistics. There are 1,800 dairy yearlings and, with beef cattle added, a total cattle population of 14,600 head. Poultry represents an income of \$90,000. Add 6,500 swine and we have the picture.

We must not forget the potatoes, the one agricultural product for which the district is famous. The acreage is 2,400, the yield well over half a million bushels and the value at the farm \$1,374,000.

MR. OLIVER: Mr. Chairman, I want to make one or two observations arising from the remarks of the hon. member for York South. Perhaps the hon. member is not aware that this is not the first time this matter has been discussed in the Legislature. It has come up from time to time and it has been discussed rather thoroughly.

I want to say to the government as emphatically as I can that I believe the time has come with respect to this matter to give the Arbitrator complete freedom from the mining companies with respect to his salary.

HON. MR. FROST: May I say to the hon. member—

MR. OLIVER: I know what the situation is—

HON. MR. FROST: There is nothing in here—

MR. OLIVER: There is, it is right in the Estimates and the hon. Prime Minister should look at it. It is vote 1,105, "Salaries, travelling and other expenses, under the damage by Fumes Arbitration Act, to be refunded by smelting companies." It is right in there as plain as the nose on one's face. I want to say to the hon. Prime Minister, and I say it quite sincerely, no matter what is presently the basis in this matter, it seems to me that for the sake of public relations, if you will, the

salary of this man who is the Arbitrator should be completely removed from any payments by the companies.

Outside of the argument I have used thus far, why is it not right and proper for the government to pay this man's salary direct, and have no reference at all to the smelting companies? It is done in other instances, so why this lopsided business? It has gone on for years, and I think we should re-assess our position in relation to it at the present time and have no reference at all to the smelting companies, so far as paying the expenses of this individual is concerned.

HON. MR. FROST: Mr. Chairman, in all the times this subject has been raised in this House, I have never heard this angle of it raised before. However, if it would settle the matter and we would hear nothing further about it, I would be quite satisfied—

MR. MacDONALD: We give you no guarantees on that.

HON. MR. FROST: —to have a special Bill passed, to have these companies taxed, and have no reference to sulphur fumes, and pay the Arbitrator in the normal course.

MR. MacDONALD: It would be an improvement.

HON. MR. FROST: Would that satisfy you?

MR. MacDONALD: Not necessarily, because we do not know that it will result in a square deal for the applicants.

MR. NIXON: Mr. Chairman, I would like to say that I have known Mr. Murray very closely and intimately for 45 years, since 1909. When I entered the Ontario Agricultural College, he was one year ahead of me, and for 3 years we roomed along the same corridor. The hon. Minister of Highways has also known him for many years. If one cannot form an estimate of a man's character in that time I do not know how long one would have to

know him. I want to say, in all sincerity, that I do not know where the government would find a fairer or better man than Mr. Murray. As a farmer who has had some settlements to make with the departments of Highways and Hydro in the past, I would certainly have been most happy to have had Mr. Murray adjudicate and settle the differences on my behalf.

I felt that I could not let pass a reflection of any kind on this very able public servant.

Votes 1,105 to 1,107 inclusive, agreed to.

ESTIMATES, DEPARTMENT OF TRAVEL AND PUBLICITY

HON. B. L. CATHCART (Minister of Travel and Publicity): Mr. Chairman, I am sure the hon. members of the House will realize that this moment is a highlight of my life, a moment when I am deeply conscious of the great honour and responsibility that is mine in holding a portfolio in the government of this grand province of Ontario, old Upper Canada, and of the duty of rising before the House and presenting my request for funds to carry on the very important work of travel and publicity.

May I say, Mr. Chairman, that I am not only greatly honoured but very happy to hold this particular portfolio. I can truly say to you, Mr. Chairman, that if, by the wildest stretch of my imagination, the hon. Prime Minister had given me the privilege of selecting any portfolio in this government, without the slightest hesitation the one I would have selected would have been The Department of Travel and Publicity.

I say this because not only recently, but for many years, I have been fully convinced of the prime importance and great value of the travel and vacation industry; not only to the total economy of the province, but by the fact that the circulation of our own people within the province from our sister provinces,

and other countries, does have the effect of creating goodwill, and a better understanding on the part of all of us.

When I use the phrase "prime importance" I can understand it is a pretty big phrase, and one which covers a lot of ground in its meaning. To explain, I might quote the words of the president of a private railway company that I understand formerly operated between Port Hope and Peterborough. I am told that the president of this small private company considered himself the peer and equal, in every way, of the presidents of the Canadian Pacific Railway and Canadian National Railway. I am told that in conversation with presidents of those two roads, he pointed out that their railways might be a little longer than his, but that he could assure them that they were not one bit wider. May I say with complete sincerity, speaking as a "small president", that other departments of our government may be larger than mine, but they are not a bit more important.

I am sure that every other department of the government recognizes the contribution we make, right across the board, to them and to the welfare and prosperity of our people in the province. I might point out that when I stepped into my present office, my situation was surely an easy one compared with that of the first hon. Minister, Colonel Arthur Welsh, in that I took over a gong concern, whereas he had to build something new from the ground up. As the weeks have passed I have become more and more conscious of the prudence and good judgment Colonel Welsh displayed in all his planning. I would also say the same of the hon. Minister of Welfare, in that he continued to build on the same solid foundation.

The result, of course, is that I have taken over an organization which is thoroughly functional and efficient. Our staff is small, totalling some 80 full-time employees at our headquarters here and at some 14 points across the province. My two predecessors chose their staff carefully, and they constitute

an efficient team, which I am proud to direct.

I am sure the House will realize at this moment, from what I have said, that I am very happy, not only about my staff, but about the task I have to do.

My job is to sell a great product, the Province of Ontario, and to do this we must keep ourselves well out in front, giving leadership, encouragement and support to all the various widespread agencies which ally themselves with us in our work. By these, I mean municipal Councils, Chambers of Commerce, Boards of Trade, Trade Associations, Regional Associations and, last but certainly not least by any means, individuals with constructive imagination, all of whom must play their part if we are to be successful.

Each department of government plays its part in this work, directly or indirectly, through its own instruments, schools and universities, highways and health measures, welfare and public works, labour measures aimed at ensuring a happy and contented people, and the inspiring programmes of development in the fields of mining, agriculture, industry, hydro power, and above all, conservation. That last word, with all that it implies, is surely one which appeals to all of us. To understand it, and all its implications, is to understand, in great part, my approach to my task.

One very pleasant thing about my portfolio is the assistance and co-operation I receive daily from other departments of government. The work of the other departments, in almost all cases, touches somewhere on the tourist business to some degree, and, in particular, The Department of Lands and Forests which is very close and, whose staff has gone out of its way to give us co-operation and assistance, in order for us to achieve the results we desire.

I might point out that in this House during this session we have had a Bill introduced recently, setting up an organization, known as "The Ontario Water Resources Commission," which

is of very lively interest to our department, inasmuch as it certainly is going to provide promotion for our tourist industry. There is no need to argue the vital importance of water supply to visitors, as well as to residents of the province.

Parks and recreational areas are closely interlocked with our work. It would be hard to say when we will have enough parks, and the need for planning our future parks becomes more necessary than ever in this age of industrial expansion.

There is hardly anything done by any department of government which does not, in some way, aid the work of my department. Hon. members must remember that the tourists are not only holiday seekers, the business men, the salesmen, and the newcomers and the immigrants. It covers everyone who travels.

I would like to refer to the Bill which gives support and encouragement to one of the most outstanding and noteworthy enterprises in the field of the theatre. I am sure you will realize I am referring to the city of Stratford, and its splendid success, which we all hope will continue, and increase to even a greater extent. I am sure it will continue, because we have the kind of people in that area who will continue to keep behind it. They have advanced from success to success, they have engaged the respectful attention of the world's leading drama critics, and they have, may I say, attracted for two years thousands of theatre-minded visitors, whose very presence has been a material boon, not only to Stratford, to Kitchener, and to London, but to all Ontario.

While I am mentioning Stratford, I think I should make sure the name "Tom' Paterson" goes into the record of this House. It was his vision which brought about the present results there.

There are other municipalities which have contributed in their own way as well. The Shakespearean Festival is, of course, an outstanding affair in its own right. The village of Fergus has

shown enterprise by its annual Highland Games, and also the town of Midland, by its reconstruction of a Huron Indian Village.

We have also had, in Bracebridge, the Santa Claus Village, and the annual Grape Festival in St. Catharines. The list is growing annually. All of these are "tourist attractions," which have to be developed by our local communities and organizations if we are to produce the results we desire.

One of my main contentions, in my approach to my work, is to endeavour to "help people to help themselves," to encourage communities and areas to develop and to assist them where possible in the promotion of their local activities.

One point where my department can claim a little success is the vast improvement in the quality and attractiveness of the advertising folders produced by our resorts, camps and hotels. Some of them are very attractive, and have won awards in a nation-wide contest conducted each year by the Canadian Tourist Association.

It has been proven by experience that people are helping themselves, and that our efforts are successful, by the almost steady increase in the tourist traffic over the last 9 years.

An American said to me the other day — "the best tourist attraction any country can have is its people." I believe that is very true. Our Canadian folk have made a special place for themselves in the affections of our neighbours. We can say, without undue conceit, that it is this friendliness that attracts most of our visitors. It is that friendliness that is the best aspect and the results of modern travel and the exchange of visitors.

While I am speaking today requesting money to enable us to increase our activities, it is not the material side of the tourist business I consider the most important. I am naturally an enthusiast on my own subject, but I honestly believe that in the world today freely-moving travel, and visits back and forth of our people between one country and another, creates better understanding,

and constitutes one of our best hopes for final and secure world peace.

Mr. Chairman, this is my understanding, because it is only the unknown which people really fear. Friends do not pick quarrels with each other, and if any disagreement arises between them, they find some way of settling it.

On this continent we are in a singularly fortunate position to show the world at large how easily it is possible for two great peoples to get along. What a wonderful world it would be if every frontier was like our own — open and undefended.

In the last few years we have carried on a programme of local "Short Courses" aimed at bringing up-to-date the ideas as to accommodation. These have been uniformly successful, and I intend to expand that programme in my department. These short courses have been organized usually with the co-operation of local bodies.

MR. R. WHICHER (Bruce): Would the hon. Minister say where these short courses are held?

HON. MR. CATHCART: I will come to that. I am also endeavouring to add, along the same lines, what might be called "Courtesy Courses." This is a service our "front people" render to those whom they serve. It seems to me that in this business, it is the "front-man" — the person who is employed by the employer to serve the customers — who has the opportunity of creating goodwill, friendliness and a warm reception which I advocate, and which I know produces good results. The impression given by the "front-man" is certainly the impression visitors will have of all the people of the province, and it is the impression that visitors will take back to their own communities.

To make known the importance of the tourist industry to our own people is part of my terms of reference. I am aware that the importance of this industry is known to hon. members of this House, but not all of our people realize that travel brings in outside money and new materials, and is, to a very large

extent, of great assistance. In the last few years, it has amounted annually to the extent of some \$250 million.

On the other hand, we are frequently reminded by the press and others, that Canadians today are, in increasing numbers, taking their vacation trips outside of Canada, and are spending increasing sums of money overseas and in the United States.

In fact, since the time when the 10 per cent. premium ceased to apply to United States funds, our travel expenditure in the States has considerably exceeded American travel expenditures in Ontario and Canada. The total "adverse balance" on travel between all countries and Canada has been rising until today it amounts to a figure of \$80 million. That is not today's figure, but those of 1954, which was the last available, as the 1955 returns are not available at the moment.

The reaction in my mind is not one of alarm, but it impresses on us the fact that we must all work together to convince our people that there is a need for them to use the phrase that we have been using in the last couple of years, "Know Ontario Better" or "K.O.B." We should be adding to our attractions, and improving our own facilities and services, so that all people from both outside our province and outside our country can thoroughly enjoy their visits here, and want to return in years to come.

In this business, a satisfied customer becomes a salesman. It can also be said that a satisfied customer is the best advertising we can have. We could bring in a man and his family by means of our publicizing methods, and that one man coming in and being received warmly, while on vacation here, will return the next year and may bring in 20 of his friends. The same man, going back unhappy with his lot, and with the result of his visit, can keep away 20 of his friends. Again, may I say that the visitor, when he is brought into our province and spends one or two weeks, or a month with us, and goes back and tells his friends that we are great people and we do have things

here, and that he had a happy vacation, is the best advertising means of which I know.

The indirect commercial benefit of our tourist revenue spreads widely and evenly all across the province, wherever the visitors may go to spend their vacation, which means that we receive a benefit from a financial point of view, by way of returns from the gasoline tax, fishing and hunting licences and so on. All those things benefit the province indirectly. The real direct benefit, and the one I appreciate most from my own personal experience with the tourist business, is the commercial benefit. It is the one where the retailer, the hotel operator, the business place and, above all, the farmers and everyone connected with the food business, are the big winners, as a result of the tourist business. That is explained very easily by the fact that all of us must eat at least three meals a day whether we are on a visit or not. Last year, and the year before, we enjoyed 20 million individual visits within the borders of our province. Some of these "visits," of course, may have been repeated by the same individuals, and might have been counted more than once. Some of them stay for a half day, some for two or three days, and many for a week or a month, and some for a longer period.

To make the point I wish to make, suppose these 20 million individual entries into the province, stayed here only one day, and ate only three meals, on an average, and, added to that, spent, say, 50 cents apiece, one can readily see to what this would add up, from a total entry of 20 millions.

As I said earlier, the material side is important to the economy of the province and to the people. But I do not want to dwell too long on that. My departmental report was tabled in the House a few days ago, and is now in the hands of the printers. It will be available to the hon. members very shortly. It enlarges on the problems and matters in my department. I may say, in passing, that a couple of weeks ago I heard a very splendid address by the hon. member for Muskoka (Mr.

Boyer), who covered many points I might have covered today. He did it in a magnificent manner, and that will save the time of the House at this moment.

In fact, I would like to pay tribute at this time to many hon. members who have shown so much interest in the travel and vacation business. They have given me much loyal support to assist me in the objectives I have for this Province of Ontario, in relation to my department. I want to thank them for the courtesy, kindness and help I have had, especially during this session, and to ask for a continuance of that same co-operation in the days to come.

I especially mention, of course, at this time the hon. member for Port Arthur (Mr. Wardrope), who has chaired the Tourist Committee during the session, who arranged for three meetings — and I believe there will be another — where a great deal of interest has been shown. I am deeply appreciative of the kind of job he has done this year for my department, and myself in that particular connection.

This year I am asking the Assembly to approve approximately \$89,000 more than was granted last year. About half of this represents salary increases on the usual scale, and the readjustment of civil service salary levels, as they affect the junior employees. I have reduced the other amounts as far as possible, and requested only the amount upon which the department will be able to operate. As hon. members know, I have not had this department too long, and when I make a request for more, if I do, I want to be able to support it with good reasons. I hope that during this year we will advance in the work in the department. The money we are requesting is indicated in the Estimates.

It would be quite natural and proper to ask how we compare in travel promotion expenditures with other provinces, and with the comparable States of the Union to the south.

It is a difficult comparison to make, because every state and province has separate and special problems and each has approached its own problems in its

own way. Florida, for example—and people are continually pointing it out to me as a shining example—has about the same amount of state funds to draw upon as we have, for travel promotion, that is, about half a million for paid advertising, publications, public relations, photography, and so on.

But the difference between Florida and Ontario is that, apart from the state contribution, additional promotion money is contributed by the Chambers of Commerce, cities, towns, and other groups in the accommodation industries and by individuals. That totals very much more than we in our department receive, and they assist them in commercial and local areas.

Of course it is easy for me to suggest here that our local and commercial interests should spend more money on advertising and promotion, but the facts are inescapable. In any kind of business money has to be spent to bring money in, and it does come in, as Florida and many other areas have shown.

Forty or 50 years ago Miami Beach had nothing much to commend it. They tell me it was then just a rather desolate strip of sand. Advertising and promotion have created Miami Beach which enjoys noteworthy recognition, as a tourist centre today.

I would not be so foolish as to claim that Ontario's present gratifying situation in the travel field has resulted from the efforts of my department alone. Many agencies have contributed. We try to co-ordinate the efforts of these agencies, in other words, to win co-operation with our department, and give leadership and encouragement to them, towards the job we all want to accomplish.

Of course when I refer to "agencies" all hon. members know of the Boards of Trade, Chambers of Commerce and Associations which are interested in local communities. These Associations all want to assist more than they are. I have been spending a considerable time in impressing upon them that our door is open for discussions, assistance and help, if they wish to make use of us.

I can assure you during the past 6 months they have made such approaches, and I am greatly encouraged in looking forward to one of the best years, during 1956, we have ever enjoyed.

The two major items in my Estimates are those to cover the operational costs sanctioned by the Travel and Publicity Act of 1946. First, I wish to enlarge and expand our promotional efforts in that respect, and to intensify our effort to "encourage and promote improvement in the standards of accommodation, facilities and services offered to tourists"—to use the wording of the 1946 statute.

This will not require much more money, but it should mean an increasing awareness in the hearts of all our people and to us, their representatives, of the importance of this work.

You will note that about half of our appropriation goes into advertising, printing of publications, and such things. Also into those various activities commonly embraced under the term "public relations" . . . in fact I have constantly told every officer of my department that whatever his job is, he is a public relations officer for Ontario, to always keep that in mind, and to qualify himself for that worthy title.

There are endless expedients in the promotion and public relations field of which all our communities can take advantage. When I recently attended a function in Wisconsin, every guest was given a small but beautifully packaged sample of Wisconsin cheese to take home. This struck me as a very effective and friendly gesture, and I thought at the time it was one well worth imitating. For everyone likes a souvenir, especially when it is a friendly gift.

In the field of commercial souvenirs we must admit we have a long way to go. There are too many imported things, in the way of souvenirs, offered on some of our shelves here. I am constantly casting about for some means of improving this situation, but I can see it will take some time to educate our people to acquire those things which are

symbolic of Ontario as souvenirs for the visitor to take back home with him.

I should mention that, in our Estimates, there is an item of \$25,000 to cover the costs of the Archaeological and Historic Sites Advisory Board.

I have great hopes that, aided by our most eminent Ontario scholars, I may be able to put into effect a programme which all of us will agree is a vitally important one, namely, to mark, in perpetuity, certain historic sites, so that all who pass may learn what has gone before.

I have ample evidence that there is an ever-growing interest among our people in our historic past, and a growing desire that everything possible be done to preserve and mark the sites of historic events. We made a start last year by the production of our "Historic Ontario" booklet which has had a very good reception indeed. I have been frankly surprised at the immense number of letters I have received, speaking well of the booklet, and showing interest in and knowledge of its contents.

These letters have come from not only some of the country's leading historians, but from every class of our people.

When I was at school, I admit that Canadian History was a kind of uninteresting subject, but since those days, as one grows older and does some reading, one cannot help but become fascinated with this subject.

Since we have been talking of the possibility of setting up promotion work in the history of our province, a number of people have spoken to me, whom I thought were not interested in the matter at all.

I might refer to the remarks of our hon. Prime Minister in his foreword in this particular book in which he said, "in Canada the events of the 17th, 18th and early 19th centuries, which on slight examination might seem to have been local in their compass, actually decided the fate and future patterns of two great empires and of the union of States to our south."

With your permission, Mr. Chairman, I will move down to the front, and, with the assistance of some departmental officials, endeavour to answer any questions.

MR. MALONEY (Renfrew South): Mr. Speaker, I would like to advise the hon. members of the Legislature that tomorrow is St. Patrick's Day, and being a descendant of the "Auld Sod", as I am sure are many hon. members in this House, it gives me much pleasure to call the attention of the House to the fact that St. Patrick was one of the greatest travellers of them all. If history was to record every step he travelled, I imagine it would be shown to be a very great distance indeed.

Apropos of that, I would like to pay tribute to the hon. Minister of The Department of Travel and Publicity, for the wonderful services he is offering to the people of this province. Recently, a delegation from my constituency had the pleasure of meeting with the hon. Minister. In the county of Renfrew, we are promoting a valley festival, in the Barry's Bay district, and through the good offices of the hon. Minister and The Department of Travel and Publicity, we have secured very much assistance in that regard.

Mr. Chairman, I am sure St. Patrick will be happy to know that for tomorrow, at least, we will be free from any undue differences of opinion, insofar as this Legislature is concerned, because of the fact that we will not be sitting.

I want to pay tribute to St. Patrick, and in doing so, I will ask the hon. Minister of Mines if he will lead this House in singing one verse of "When Irish Eyes are Smiling."

MR. WHICHER: Before speaking on the Estimates, may I say that I listened to the hon. Minister of Travel and Publicity with great interest, but I did not hear him say anything about the liaison between his department and the one in Ottawa. It seems to me that travel and publicity is not just an Ontario business, but is national in

scope. Would the hon. Minister care to say anything about it? How does he co-operate?

HON. MR. FROST: The way we do in all things.

HON. MR. CATHCART: As hon. members know, Dr. Leo Dolan is director of the branch of tourism at Ottawa, in the department administrated by hon. Mr. Lesage. I have known Doctor Dolan for many years, and since I have taken over this department, we have received the greatest co-operation. As a matter of fact, my own department introduced the "K.O.B." phrase, or theme, "Know Ontario Better", and when we attended the Canadian Tourist Association convention in Ottawa, Doctor Dolan, and the federal agency, adopted "Know Canada Better" as a result of our "Know Ontario Better." I think that speaks well for the co-operation which exists between the federal branch of tourism and our department.

On vote 2,001.

MR. WHICHER: Does "salaries" include the inspectors? I would like to have a word from the hon. Minister, as to just how these inspectors operate. When they go into the various tourist places, I know they put up a little piece of paper, saying the place is of a certain class, but the one thing about which I hear more complaints than anything else is that in some localities the eating establishments are perhaps not of the best. I know of nothing which will sicken a visitor more than getting into a restaurant, where he is not well fed. Is anything being done by the department to endeavour to bring up the standard of eating places in the province, particularly in the tourist areas?

HON. MR. CATHCART: That, of course, is a responsibility of the local communities.

MR. WHICHER: Some counties have no health units.

HON. MR. CATHCART: They have a medical health officer—

MR. OLIVER: If things get really bad.

HON. MR. CATHCART: I did not touch on the fact before, but may I say now that we intend to carry forward the placing of plaques on our historical sites in Ontario. I have here a replica of the design which is considered might be used to do this work.

We have many historical sites already plaqued in Ontario. There are many more which could be recognized, and plaques placed on them for the attention of our own people and our visitors.

At the moment, it is our intention to carry forward this work to a greater extent. It is felt we should provide marker signs which would indicate where the historical sites are. At the moment, in many cases, a visitor can drive along the highway and hardly know where an historical site is located, much less find it. We feel if we could use something similar to that used in Pennsylvania, it would tell the story concerning an historical site, so that the passers-by would know it as an historical area.

We are considering the use of smaller signs, with the words, "You are now approaching an historical area." That could be placed in both directions some distance along the highway, and then perhaps a thousand or two thousand feet nearer the site, we might use a smaller marker with an arrow pointing to the road to be taken to reach the historical site, which may be a half mile, a mile, or perhaps even 5 miles from the road area which the visitor is driving.

These arrow markers could give, in short form, some indication of what the historical site is, and to what it is related, so anyone could visit it, who might be particularly interested in any certain site.

It is our intention to set up a Board. The Bill gives us the right to increase the number from 7 to 9 members. We realized there was a Board in The Department of Education, known as the "Archaeology on History Advisory

Board" and also that there was one in my department, called the "Historical Sites Advisory Board." We are dispensing with the two Boards, and forming one under my department, as an Advisory Board to advise the Minister, and make representations in regard to marking and placing plaques on historical sites, and it is our intention to carry that forward this year.

HON. MR. FROST: May I say that this proposal is one of great merit, and of very great value. As a matter of fact, in some of the states in the United States, particularly the Atlantic states, this idea has been carried out to a very large extent. It is possible for those who are interested in the history of various areas to ascertain just where they are located, or in regard to any particular item in which they may be interested. The markers are durable, and are not obstructive.

I think this is something which will prove to be very effective in our countryside. Nearly every community in Ontario has something of interest connected with the story of our province, and it seems unfortunate, with the millions of American visitors coming here, that there is little possibility for them to acquaint themselves with the background of the country through which they are passing.

I hope this idea can be developed. May I say to the hon. member for Stormont (Mr. Manley) that I am thinking that the wonderful counties of Glengarry, Stormont and Dundas, and the valley of the St. Lawrence, which has been so directly connected with our history, are practically unmarked, and unless one is acquainted with the area, it is very difficult to connect it with the history of this province or, indeed, of this continent, because the St. Lawrence is one of the great highways of this continent.

I have been interested recently in reading some of the books written under the pen name of "Dorothy Dumbrille" — Mrs. Smith, of Alexandria. I was in that community not very long ago, and she presented me with a set of her

books. They are interesting reading, one in particular, the title of which I forget for the moment, related to the hills and glens of Glengarry. There is a community in which a great number of these markers could be placed as directives to people going into that area, and enabling them to become acquainted with some of the things associated with our early history. That applies to Ontario generally.

Not long ago, I read a book by Doctor Sherwood Fox, relating to the Bruce Peninsula. I think the title was "Bruce Begins." It was a very interesting story, and I think the communities in that area should be well marked.

MR. WHICHER: They are well marked now, Mr. Prime Minister.

HON. MR. FROST: Perhaps we might do a good job by marking Priceville, as that is one of the great communities in Grey County. It has interesting possibilities.

I think the suggested marker is something like that used in Pennsylvania which is very attractive, and I am sure will not materially contribute to the hazards of highway driving, and I feel sure that ways and means can be devised whereby that will not be the case. Perhaps it will cause people to drive a little slower, in order to look at the beauties of our countryside.

MR. P. MANLEY (Stormont): Mr. Chairman, in regard to the historical sites: I was interested in hearing the hon. Prime Minister mention the St. Lawrence area. We have some historical sites there which will disappear with the development in that area, and I think they are of the utmost importance, not only to the local people, but to the visitors who come there year after year. Once the development has gone so far, that the area is flooded, we will lose a great many of these beautiful spots, particularly at the Long Sioux and other districts along the river.

I am wondering if anything has been done to preserve the historical sites in that area, and I would be very happy

if the hon. Minister would tell us to what extent the historical sites will be preserved, and what is being done about them at the present time.

HON. MR. CATHCART: I might again say, to advise the hon. members of our thinking at the moment, that an Advisory Committee is being set up, which will consist of probably 9 members, with a permanent secretary, who will be under the administration of the Advisory Committee, or the Chairman. Matters will be dealt with by the Advisory Committee, and then presented to the Minister for his consideration. The final decision, of course, will be by the government, as to what historical sites should be designated, and which ones should be marked or plaqued.

Along the banks of the St. Lawrence River, I would imagine a great deal of that work will be done by Hydro, or some department closely connected with it. I would imagine if we carry out some of this work, it will be on the recommendation of Hydro, or the St. Lawrence Parks Commission. It is a project very much unto itself, under the Hydro, or the St. Lawrence Parks Commission. However, these will be considered and recommended by the Advisory Committee, whose membership will be composed of historians with a full knowledge of the situation, and their recommendations will be placed before the Minister for his approval.

MR. MANLEY: Could the hon. Minister tell us anything in connection with the sites which will be disturbed by the development along the St. Lawrence?

HON. MR. CATHCART: I have no idea of what will be done. I have said, time and time again, the Advisory Board will consider these matters on the recommendation of the secretary. I am not as much of a historian as some other hon. members may be, but I will say that at the moment this is only in the preliminary stage. We have advanced to where we have provided a replica of a possible design which will be used, and I would like to secure the

reaction of the hon. members of the House to it. I was very happy to hear the hon. Prime Minister say that he was pleased with it. I only received this yesterday or the day before, although the order had been placed for some little time.

MR. WARDROPE: Mr. Chairman, I want to compliment the hon. Minister of Travel and Publicity on his very fine presentation of his Estimates this afternoon, and I think his work will be of great advantage to the province of Ontario.

Mention was made here today of Canadian cooking. I have always thought it is on a par with that of any other country in the world. The hon. member for Nipissing is really quite an exponent of the culinary art, and in regard to pea soup and pork and beans, he is "par excellence." Those are definitely Canadian dishes, and no one else can serve them in our resorts, like we, in Canada.

In a meeting of the Committee on Travel and Publicity, the question was asked as to what a chef was paid in this country, and I was a little surprised to learn that the minimum was \$10,000.

It was also brought out that a good chef is very intolerant of the eating habits of the Canadians. A Canadian wants to rush in and consume a meal in twenty-five or thirty minutes, and that means steam cabinets, pre-prepared meals, and so on, which are never as good as home-cooked meals. In Paris, it was brought out, people spend three hours over a meal, and the chef has an opportunity to show his culinary art.

I mentioned the hon. member for Nipissing as being a French exponent of culinary art in this country, and I would say that if any hon. members care to visit the northern part of the province, where you can get speckled or Lake Superior trout, we will prepare an epicurian's delight for you.

I think in this country the meals in our resort hotels are excellent, according to Mr. Duncan Hines and some of

the other exponents, and this Department of Travel and Publicity is doing a good job in raising the standard throughout the province insofar as the culinary art is concerned.

MR. WHICHER: Mr. Chairman, I just want to say one thing about this, I know in my part of the country, which is a large tourist area—I certainly enjoyed the hon. Minister's presentation—I have one or two suggestions which will only take a couple of minutes.

The hon. Minister mentioned, in comparing Ontario with some of the southern states, the fact that at the financial end, they get more financial aid through Chambers of Commerce and Tourist Bureaus and so forth than they do here. I am sure the hon. Minister knows there is a great deal of money—thousands of dollars—contributed by local Chambers of Commerce and by Tourist Associations scattered across this province. At the present time, at the Sportsmen's Show, the advertising is done by various Tourist Associations, I know we have two or three there from Bruce county. At the same time the Detroit Sportsmen's Show is on, and we are represented there.

However, there is one thing I want to suggest—and this came to us quite by accident. There was a gentleman from one of the large Detroit television stations visiting in Bruce county last year, and he was rather impressed with the scenery. This gentleman offered to send in a television crew and televise all the main features of the Bruce Peninsula in two-day periods. This was a very expensive proposition, but he came in with his crew and all we had to do was supply a couple of men to show him the historical sites, and the various bathing places and so on, and he took those scenes back to Detroit. It was made into a programme, and he sold the programme, at absolutely no cost to the people of the county of Bruce. The programme was shown over Detroit stations where they have an audience of possibly 10 million or 15 million people, and was very, very successful.

I believe that hundreds and hundreds of enquiries have come in because of the advertising, which to us, was absolutely free. I would suggest to the hon. Minister—perhaps it has been done, I do not know—that there are many, many American television stations which would be interested in coming into the Province of Ontario and televising different beauty spots, and various locations in this province, and they would be glad to put a programme on, apparently free of charge, because somebody is going to “pick up the tab.” They have various Manufacturing Associations and so forth, which have programmes once a week, and they are looking for something a little bit different. I suggest to the hon. Minister that this is a field which could well be explored, because it costs absolutely nothing—in our instance anyway—and through television, millions and millions of people see the beauties of where we live, and what we want to sell to them.

There is one other point I want to make; in spite of the increased expenditure of The Department of Travel and Publicity in this province. There are many, many people who, instead of visiting other parts of Ontario, are going out west and so forth, or they go south. I believe there are some of our Canadian and Ontario people who visit the United States, more in dollar fashion anyway, than there are Americans crossing over here. I suggest it would be a good thing to try to sell Ontario to the people who live in Ontario, as well as to try to sell the west to Canadians who live in Ontario, and to sell to the people in British Columbia the possibility of Ontario being a good place to look over. I know hundreds of people who visit the south every winter, or go to Detroit or Buffalo for a holiday, who have never been up to northern Ontario to look at the beauty we have there. There are many people who go to Europe who have never been out west, and I suggest to the hon. Minister that he work on that angle, and try to sell Canada to Canadians, because we Canadians also are tourists.

HON. MR. CATHCART: Mr. Chairman, we have been working on that for the last couple of years, and last year we had a great increase in inter-provincial travel.

MR. WHICHER: I hope the hon. Minister will remember the television angle.

MR. OLIVER: Mr. Chairman, I would like to ask the hon. Minister a question in regard to these Inspectors. What are their specific duties? I happen to know one or two of them, and I hope their duties are not too onerous, because they would not be able to discharge them. What are their particular duties? Is there a classification at the present time?

HON. MR. CATHCART: In the Ontario Government Directory Guide, they are under the development branch, and it describes pretty well what an inspector is.

MR. OLIVER: I would much rather have it in your own words.

HON. MR. CATHCART: They are appointed for the purpose of advising and counselling the motel operators or the resort operators who are operating establishments. First and foremost, it is only in extreme emergencies that he goes in, and demands that somebody do something to rectify a situation. In other words, he gives warnings and suggests that this or that should be done, and the operators are given time to improve the facilities which they may have. It may be additional rest rooms, it may be cleanliness, it may be any of those things, but of course, as you know, we do not interfere with the eating end of the establishment.

MR. OLIVER: Supposing this Inspector found things to be pretty bad, and felt, in the interests of all concerned, that the shop should be closed up. Has he any powers to close an establishment, and if so, have those powers ever been exercised?

HON. MR. CATHCART: The operator's licence is cancelled.

MR. OLIVER: How many have been cancelled this last year?

HON. MR. CATHCART: At this time of the year, before many of these operations are opened, they are advised by the Inspector there will not be a licence issued to them, if they have been found not to have taken care of the job which was asked of them at the close of the season last year. In that case, they are advised that no licence will be issued. We have had to take action in some cases, in fact, since I have been in the department, a couple of actions have been taken of which I know; eight licences have been refused in 1955, one licence was suspended, and three licences were cancelled.

MR. MacDONALD: Are these Inspectors full-time employees?

HON. MR. CATHCART: We have eleven full-time Inspectors, and we take on additional Inspectors during the summer.

MR. MacDONALD: I trust their salary is not checked back, and collected through the various operators?

HON. MR. DUNBAR: No, not through the mine owners.

MR. WHICHER: What would those Inspectors be doing now?

HON. MR. CATHCART: They are inspecting the establishments throughout the province, the motel operations which continue the year around. In the summer time, the summer resort operations open up, and that is when we need the summer Inspectors. There are additional resorts which open up in the summer.

Vote 2,001 agreed to.

On vote 2,002:

MR. YAREMKO: Just a word on that vote, following the line of the hon. member for Bruce. This is a topic upon which I have touched in this House before, and that is the desirability of placing advertisements in the ethnic papers.

I know all hon. members of the House are familiar with the fact that there are many newspapers in the Province of Ontario, with a circulation of hundreds of thousands and the readers have need to be informed of the possibilities of the facilities of our province, especially in the earlier years of their arrival in Canada, when they read only the newspapers published in their mother tongue. I would suggest to the hon. Minister, that he use these newspapers for advertising, to some degree, within the limitation of his funds.

Following along those lines, and only because I am speaking of publicity, the hon. Minister could bring his personality to bear on other hon. Ministers within the government, so that departmental advertising, such as these fine advertisements which appear, issued by The Department of Highways, informing the public of "stopping when the school bus stops," etc., which is a change in the law, be inserted in the foreign-language newspapers. I wonder if the hon. Minister would care to comment on any consideration that has been given along those lines.

HON. MR. CATHCART: Mr. Chairman, as the result of the mention of this matter by the hon. member on other occasions, and by other hon. members of the House, consideration is being given to that matter.

Votes 2,002 and 2,003 agreed to.

On vote 2,004:

MR. MANLEY: Mr. Chairman, I wonder if the hon. Minister would tell us how many reception centres there are at the present time in the province?

HON. MR. CATHCART: There are 14. If you include the one at the front door of the Parliament Buildings, where we also operate, there are 15 in all.

Votes 2,004 and 2,005 agreed to.

HON. MR. PORTER: Mr. Chairman, I move that the committee do now rise and report certain resolutions.

Motion agreed to.

The House resumes; Mr. Speaker in the Chair.

MR. J. F. EDWARDS (Perth): Mr. Speaker, the Committee of the Whole House begs to report it has come to certain resolutions, and begs leave to sit again.

Report agreed to.

THE MUNICIPAL ACT

Mr. W. A. Goodfellow moves second reading of Bill No. 130, "An Act to amend The Municipal Act."

He said: Mr. Speaker, with the consent of the House, I would like to move second reading of this Bill in order that

it may go before the Committee on Municipal Law on Monday.

Motion agreed to; second reading of the Bill.

HON. MR. PORTER: Mr. Speaker, before moving the adjournment of the House, I may inform the hon. members that on Monday, we shall proceed with the Estimates of The Department of Highways, the Budget debate, and with the debate on the Smoke and Air Pollution Committee's report.

Hon. Mr. Porter moves the adjournment of the House.

Motion agreed to.

The House adjourned at 3:25 of the clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Monday, March 19, 1956
Afternoon Session

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER
 Roderick, G. Lewis, Clerk

MONDAY, MARCH 19, 1956

3 O'CLOCK, P.M.

And the House having met.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

CLERK OF THE HOUSE: Mr. H. E. Beckett from the Standing Committee on Legal Bills presented the committee's third report and moved the adoption.

Your committee begs to report the following Bill without amendment:

Bill No. 118, An Act to reconstitute the Institute of Chartered Accountants of Ontario.

(signed) H. E. BECKETT,
Chairman.

Motion agreed to.

CLERK OF THE HOUSE: Mr. D. J. Rankin from the Standing Committee on Municipal Law presented the committee's first report and moved its adoption.

Your committee begs to report the following Bill with certain amendments:

Bill No. 130, An Act to amend The Municipal Act.

(signed) D. J. RANKIN,
Chairman.

Motion agreed to.

CLERK OF THE HOUSE: Mr. W. J. Stewart from the Standing Committee on Conservation presented the committee's third report and moved its adoption.

Your committee met today at 10 a.m. and passed the following resolutions:

That The Department of Agriculture be requested to study reports of The Department of Mines on lime deposits in the province and determine which of these are suitable for agricultural use and how local development could be encouraged.

That in view of construction of new provincial facilities for soils testing and of the importance of increasing production per acre in Ontario, that The Department of Agriculture be requested to study further means of encouraging farmers to make use of the soils testing services and the other extension services of the department.

That in view of the demand both for teaching staff and agricultural school graduates, The Department of Agriculture be requested to consider ways and means of meeting the demand, including extension of facilities in the present teaching schools in the province.

That in view of possible benefits to forestry, power resources and supply of water to the Great Lakes, the water resources commission be requested to study the possibility of diverting the waters of the Albany River south.

That the water resources commission be asked to study the advisability of legislation to ensure not only a sufficient

supply of water but also to regulate usage and policies particularly as between agricultural, industrial, municipal, power, irrigation and wild life utility.

That this committee concurs in the recommendation of the committee on fish and game on protection of hawks and owls.

That The Department of Lands and Forests study control measures for porcupines.

(signed) W. J. STEWART,
Chairman.

Motion agreed to.

MR. SPEAKER: Motions.

Introduction of Bills.

Orders of the day.

HON. L. M. FROST (Prime Minister): Mr. Speaker, I beg to table answers to questions No. 20, 24 and 35.

Mr. Speaker, I desire to announce a sitting tonight and probably also on Wednesday and Thursday nights of this week.

MR. R. GISBORN (Wentworth East): Mr. Speaker, before the Orders of the day, I would like to refer to what appears to be a very unusual and serious labour dispute at the Mall Tool plant, Etobicoke. It appears that it has brought an urgent request to the hon. Minister of Labour to investigate personally, and I would like to read a further telegram which appeared in the *Globe and Mail* this morning:

Request you investigate and act on situation Mall Tool, Etobicoke, immediately. Appreciate conciliation officer has been appointed to make investigation, but attitude of management in closing manufacturing section of plant and removing production to Chicago, warrants your personal investigation.

Anti-Canadian attitude of American management bitterly resented by Mall workers and by community. Situation urgently requires your attention.

Because of the seriousness and unusualness of this dispute, I wonder whether the hon. Minister of Labour would make a comment at this time.

HON. C. DALEY (Minister of Labour): Mr. Speaker, as this matter has just developed, it is easy to understand that I do not know too much about it at the present moment. It happened over the weekend, and it is true there were several telegrams on my desk this morning.

It appears that one of the unions is endeavouring to organize this plant, and some difficulties have arisen, and there is some resistance on the part of management.

I took steps this morning to have the chief organizer in my office, and had a discussion with him. We have put a man on this job, one of my conciliation officers, who will be investigating it today, and who certainly will make a report to me sometime today. Therefore, I have not very much to report at the moment.

As the hon. member said, it is unusual. One thing I dislike about this sort of thing is that, anytime a little bit of trouble arises in a company, and someone gets up to criticize, it is always said that it is "anti-Canadian." These Americans appear, "of a sudden", to become "anti-Canadian." I have no evidence of that.

In my department, we deal with a great many people throughout the year, and Canadian and partially-Canadian companies, and I think in this country we have reason to be grateful that good sound American companies have come in. I could indicate that by reference to my own city. The Yale Company has enough plants in their own cities to make enough locks for the world, but they have erected a good plant there. From my experience with these things, I object that it seems to develop more and more, every time there is a little trouble, and there happens to be an American involved, it is then said they are "anti-Canadian." I do not agree with that.

Mr. Speaker, I can tell the hon. member that I am investigating this matter, and will do everything in my power, and within the power of my department, to bring about a settlement.

MR. W. B. LEWIS (York Humber): Mr. Speaker, apart from being a member of this House, I happen to be chief magistrate of the township of Etobicoke, and I can tell the House that I have spent practically this weekend at the plant.

I have to support what the hon. Minister has said. It is not all caused by unions on strike. There is a group of people in there, and frankly, I think this House must realize with what the company is confronted. We are sitting on a powder magazine. Our police department has taken a very lenient view. We have tried to avoid trouble.

I am glad to see that the question here has been very well received. I do not know whether this House can accept the opinion of a group who are not recognized by a union. I am looking for advice and, believe me, I am quite concerned, as it is quite a problem in the township of Etobicoke and with the people all through the township. Again, I would like to say that the hon. Minister's comments are quite correct, but, nevertheless, we have a situation there which may, in the long run, go far beyond the question of unions and labour recognition.

MR. H. C. NIXON (Brant): Mr. Speaker, in connection with the province taking over the education of Indian children, and to be reimbursed for any financial cost by the federal government; which was raised in the House last week. I noticed in the *Hansard* of the Parliament of Canada, on March 15, the hon. J. W. Pickersgill, Minister of Citizenship and in charge of Indian Affairs, read to the House of Commons a telegram he had sent to the hon. Minister of Education of Ontario (Mr. Dunlop). I would like permission to read this telegram and to ask a question of the hon. Minister. The telegram is as follows:

I have seen the report of the statement you made in the Legislature yesterday to the effect that the provincial government would be ready to assume responsibility for the education of Indians on the basis of reimbursement by the federal government. I am authorized by my colleagues to communicate with you with the view to discussing this suggestion at an early date. Could you let me know if you would be prepared to discuss it and what might be a convenient date?

(signed) J. W. PICKERSGILL

I assume the hon. Minister has received this telegram. I would ask him if there have been any further developments or any progress in the matter?

HON. W. J. DUNLOP (Minister of Education): Mr. Speaker, in reply to the telegram which the hon. member has read, I sent this telegram on March 16:

Thanks for your telegram. Would you come to Toronto some day in the week of April 9, when I can arrange to have our Treasury officials here to talk over our proposals in detail? I shall send another telegram in a few days, giving a choice of date. I am delighted over the prospect of providing good education for our Indian children.

MR. NIXON: Mr. Speaker, I might say to the hon. Prime Minister that any time he desires quick action, judging by this telegram sent the next day, I only have to raise the matter in this House.

HON. MR. FROST: Mr. Speaker, I will get in touch with the hon. member for Brant at once, as there are several other matters on which I wish to get quick action.

MR. S. L. HALL (Halton): Mr. Speaker, before the Orders of the day, I would like to reply to a statement which was made in this Assembly last week by the hon. member for Carleton (Mr. Johnston), in which he said that

the Junior Farmers of Carleton County were debating against the Junior Farmers of Halton County, last Friday night at the Agricultural College in the city of Guelph, for the Ontario championship. I am very pleased to report to this Assembly that the county of Halton won the championship. This is the second time the county of Halton has won the championship in the province of Ontario.

MR. SPEAKER: Before the Orders of the day, I would like, on behalf of the Legislature, to welcome to this Assembly, the students from the following schools: Norway Public School, Toronto, Northern Vocational School, Spring Gardens School, Willowsdale, and Humewood School, Toronto. We hope their visit here this afternoon will be most enjoyable.

MR. W. E. JOHNSTON (Carleton): Mr. Speaker, on behalf of my riding, I would like to offer congratulations to Halton County on winning the debate. I am very happy indeed that the winner has been decided. May I say to the hon. member for Halton that I know the members of the team, and all those concerned in Carleton County, join with me in congratulating the Halton County team for having such fine young people.

The House, upon Order, resolved itself into the Committee of Supply.

ESTIMATES, DEPARTMENT OF HIGHWAYS

HON. J. N. ALLAN (Minister of Highways): Mr. Chairman, before asking this House to vote the money with which to carry on this department for the coming year, I would like to take some time and give an account of the work we have been doing and our plans for the coming year.

Mr. Chairman, a statement of work planned for the coming year by our department, as well as a statement of our municipal roads programme, has been placed in the hands of each hon. member of this House.

I would like to present an outline of the operations of The Department of Highways to the hon. members of this House before submitting our Estimates for your consideration.

I may say that the continual increase of traffic as a result of the rapid growth and expansion in every direction within this province creates an immense task for our department in the providing of highways that are adequate to carry steadily increasing traffic.

Our province is a large one. I like to compare the responsibility of providing adequate roads for this province with that of the state of New Jersey, which has a population just slightly larger than ours and approximately the same number of motor vehicles, but whose area is one fifty-second the size of our area and whose road mileage is 17,135. By comparison, the road mileage of this province is 81,780.

So, while the great area of this province makes possible vast natural resources, it does present a tremendous problem, that of providing roads for every citizen of the province. It is not surprising then that we have 81,780 miles of roads and streets—8,510 miles of King's highways, 2,400 miles of secondary roads and 70,870 miles of municipal roads, including 7,210 miles of urban streets—each mile of which is important to someone and toward the construction or upkeep of which this government contributes.

I do not want to weary this House with detail but I may say that excellent procedures have been developed down through the years to carry out our responsibilities for roads. There are many plans geared to fit various situations for the purpose of aiding in the construction and upkeep of every road in this province, and such aid extends from King's highways, which are entirely the responsibility of the province, to municipalities and even to statute labour boards in newer sections of our north.

I would like, Mr. Chairman, to separate the operations of our department into 3 divisions and to endeavour to

inform the hon. members of this House briefly concerning each one.

The largest division is our operations branch, which we speak of as the King's highways branch and which generally has oversight of the planning, building and maintenance of the King's highways and secondary roads, the burden bearers of our system—10 per cent. of our entire road mileage which carries 43 per cent. of the traffic.

The second division is the municipal branch. Here aid in road building is given in an entirely different manner. Such help is mainly financial. Municipal roads are planned, supervised and built by the individual municipalities and our contribution is by way of subsidy payments.

The third division, our motor vehicles branch, has the responsibility of regulating and controlling traffic upon our highways, and of licencing the vehicles that use our roads, as well as the licencing of the persons who drive the vehicles.

The personnel of the department have been and continue to be under great pressure of work because of the rapid expansion of our highway needs and the resulting urgency in planning, designing, building and maintaining our roads. I may say that we are proud of the way the members of the department have met the challenge of our expanding programmes.

Their devotion to duty and their record of accomplishment in the face of innumerable handicaps has been something for which they should be warmly commended. The shortage of trained personnel alone has been a severe handicap, and the way in which all members of the department have given of their time and talent to get the job done is particularly noteworthy. I want to express to this House my personal appreciation of the assistance and co-operation of the staff of The Department of Highways.

In order to cope with the large volume of work, and in the face of a shortage of trained personnel, we have engaged and are continuing to use the services of a number of private consultants. These

outside advisers have been assigned many of the involved and highly technical design and engineering problems that would otherwise tie up large numbers of our trained personnel and, as a result, delay the completion of our appointed tasks. In bridge design alone our consultants have proved of invaluable assistance.

It might surprise the hon. members of this House to know that 70 per cent. of the dollar value of our bridge work which is under way in the department is being handled by consultants.

To help meet the shortage of trained personnel in our department, we are offering members of our staff opportunities to train themselves for better jobs and greater responsibility.

We are also conducting courses for certain classes of employees in order to fit them for bigger jobs. As just one item in this training programme, I might cite the courses we are currently running at the forest ranger school at Dorset. Here we are giving intensive instruction to selected members of our staff in order to equip them for positions of greater responsibility, especially of a supervisory nature.

I should like to add that we are indebted to The Department of Lands and Forests for their generous co-operation in making the facilities of the ranger school available to us and making every effort to help us in operating a series of courses.

I mention these things, Mr. Chairman, merely to indicate that we are keenly aware of the expanding programme we have ahead of us and the increasing need for more and better trained personnel. We are doing everything within our power to foresee our needs and plan now to meet them in the future.

The policy of our department, Mr. Chairman, may be stated very briefly. It is to provide or assist in providing various systems of roads that will convey present and increased traffic of the years ahead in such a manner that future development of every sort in this province will not be hindered, but rather

will be encouraged. This means the provision of roads of a type that will permit traffic to move without delay caused by congestion and with safety.

This statement, although short, points out the definite need for progress in each and every one of the 3 divisions of effort of our department to accomplish the objective outlined in this statement of policy.

I would like to emphasize and point out to the hon. members of this House the very great importance of the word "system" as it applies to the roads of our province. This word "system" is really the basis of a determined effort on the part of this government to study present and projected traffic needs, and then to build highways that will be where they should be, and of the standard that they should be, to enable such traffic to move freely and efficiently.

I believe, Mr. Chairman, that the hon. members would be interested in having some detail of our highway construction programme for this coming year.

Before I go into that, however, I would like to inform the House that during the fiscal year 1955-56, which is drawing to a close, we will have completed highway construction work to the value of \$64 million. In the coming year, the 1956-57 fiscal year, we plan to spend \$77.8 million on King's highway and secondary road construction. I should add that both of these figures include the cost of land purchase.

In our programme for the coming year, the major part of the work is the completion of contracts that we awarded last summer and fall. Similarly, approximately \$25 million of our new work will be called in the fall of this year. We do this so that the contractors have time in which to plan in advance for the 1957 construction season, and do any preparatory work that is needed on the site.

The work that has top priority is, of course, the carry-over from 1955-56. That is work that was awarded to contractors during last summer and fall. This totals \$67.5 million and includes paving, \$17.3 million; grading, \$29.2

million; and structures, \$21 million. One reason for the heavy carry-over in structures is the Burlington Bridge and the Little Pic River Bridge. These projects will not be completed during the coming summer; as a matter of fact, they will take over two years to complete.

I would like to say a word about the Trans-Canada Highway, although I propose to give much fuller information on the Trans-Canada Highway at another time.

According to the present arrangements regarding the Trans-Canada Highway the agreement between the provinces and the federal government will terminate March 31, 1961.

To make myself clear in that respect, I should perhaps say that we expect those arrangements will be in force as soon as necessary legislation has been passed at Ottawa.

To encourage the provinces to complete as large a mileage as possible by that date and to have a continuous highway across Canada, the federal government agreed to pay 90 per cent. of the cost of 10 per cent. of the province's mileage, provided this 10 per cent. was spent in closing a gap in the route, if there was a gap.

Since Ontario has 1,410 miles of Trans-Canada, we will receive 90 per cent. of the cost of 141 miles, which is about the length of the gap in our province. In order to be eligible for this 90 per cent. payment, we must spend in addition each year for the next 5 years an amount equivalent to the average expenditure on the Trans-Canada for 1954 and 1955, which was about \$10 million. Consequently, we have scheduled an amount to be spent on the Trans-Canada from 1956 to March, 1961, which covers 5 construction seasons, \$50 million, plus the closing of the gap which will cost \$25 million. The province's share of this \$75 million will be half of \$50 million, plus 10 per cent. of \$25 million, or \$27.5 million.

In order to carry out this programme by March 31, 1961, the department will have to start work this year valued at

\$17.1 million, in addition to completing a carry-over of \$12 million, or, a Trans-Canada programme of \$29.1 million. The \$17.1 million of new work is made up of \$7.7 million to close the gap and \$9.4 million outside the gap.

In order to complete projects that are already under construction but for which contracts have not been let and to improve portions of the King's highway system that are in critical condition, that is, sections that have extremely low structural rating, capacity rating, etc., we will do work this year to a value of \$12.5 million.

This is set out in the King's highway blue book which was placed on the desk of each hon. member at the time of the presentation of the Budget.

We will spend \$2.7 million on grading and structures in order to complete the necessary extensions of the Queen Elizabeth Way to link up with the Burlington Skyway, which we hope to have in use by the end of 1957.

In this construction season we will start work on the relocation of highway No. 2 to provide a complete highway link from Cornwall to Iroquois when the St. Lawrence Seaway project is completed, probably in 1958. The \$1 million we will spend on grading and structures will be completely reimbursed by the Ontario Hydro.

Other work that we have designated as mandatory this year is paving to the amount of \$800,000 and granular base amounting to \$1.1 million on highway No. 11 between Hurst and Longlac and \$10.8 million on paving, grading and structures on intolerable sections of the highway system, that is, sections which must have attention because of structural, service or safety factors.

We have earmarked \$6.5 million to cover contingencies that may arise and over which we have little or no control. These include such items as connecting links, mining roads, building projects undertaken to be done by day labour and miscellaneous work. The balance of the programme, comprising paving, \$6.5 million; grading, \$8.2 million; and structures, \$8.1 million, for a total of \$22.8

million will be called in the fall to enable contractors to plan for the 1957 construction season and prepare the initial work on the site.

The final item in our programme is \$7 million for resurfacing. This is not capital work but rather is classified as maintenance. Part of it is a stop-gap measure to provide a good riding surface for a comparatively short time until we are able to make final plans for a major construction project. Some of this work will be called in the fall so that the total expenditure will not be made in 1956.

Now a word about how we plan our highways. There are few elements in our economy today that are not dependent to some degree on our provincial highway system. If hon. members stop and think about it, everything that they eat and wear and the materials used in building their houses, farm buildings, factories and offices—all of these things are carried on our highways.

In a comparatively short time—less than a normal lifetime—we have jumped from trails to thruways. In the past 25 years we have built highways at an ever-increasing rate—a rate that has accelerated sharply in the days of hectic growth since the war—yet the demand for more and better, fast, safe highways is always ahead of us.

Not so many years ago the main problem of highway builders was to get the motorist out of the mud, and the chief concern of the engineers was with road surfaces. As the motor car became more popular the engineers began to specialize until today we have soil analysis laboratories and traffic branches to deal with volumes, capacity of roads, speed regulations, highway lighting, accident rates, and so on.

We no longer plan, design or build highways on a hit-or-miss basis. Our engineers have had to devise methods that would enable them to make accurate estimates of highway needs on a long range basis and then to programme improvements on a logical priority system. In other words, proper economic principles and sound business

practice are substituted for a year-by-year approach.

The great advantage of this carefully planned approach to road building is that we have the necessary time in which to make long range surveys, design plans, negotiate for the acquisition of property and give contractors and suppliers sufficient advance notice of probable manpower and equipment needs.

One of our major undertakings now, in the planning of highways for years ahead, is the preparation of a *Highway Needs Report* which will enumerate the improvements required to serve present and future travel, and will estimate the cost of these improvements and establish priorities and schedules for carrying them out.

In 1946, immediately after the war, we had 711,106 registered motor vehicles in Ontario and by 1955 the number had increased to 1,617,778, a jump of 127.5 per cent.

Just to give the hon. members another example of the rate at which motor vehicle traffic is increasing in this province, I should like to point out the sharply increasing use that is being made of the Toronto By-Pass, the section of highway No. 401 across the northern part of Metropolitan Toronto.

In 1953 the average daily volume of traffic was 14,350 cars. In 1954 the average daily volume of cars had increased to 15,530. In 1955—and please note the jump here—the average daily volume of traffic was 32,100.

In one year the traffic had doubled and our engineers estimate that the load this road will have to carry will increase **again** very sharply when the easterly section of the by-pass is completed.

We have completed the road, as you know. We hope to have it opened as far as Highland Creek very shortly, but we cannot help but be impressed by the fact that almost before the road is completed, we are given cause to wonder whether we should have a 4-lane highway or a 6-lane highway, because it is now carrying traffic which is considered almost the peak.

Our planning engineers now estimate that 20 years from now Ontario will have a population of more than 8 million people and that motor vehicle registrations in 1975 will be over 4 million. They predict that there will be a motor vehicle for every two persons in the province.

In order to keep up with the traffic demands that result from our fabulous prosperity in this province, we must think big for the future. The figures I have just given you, showing the mounting traffic on our best 4-lane highway, cause me to suggest, Mr. Chairman, that perhaps we should now be planning 6-lane highways in order to meet the challenge of the future.

With such tremendous growth ahead of us, we must keep our sights high. That is why our studies of future needs relate highway transportation to such economic factors as population, industry, land use and tourist traffic, all of which give us a measure of the real importance of various routes. From our engineering and economic studies we obtain a clear understanding of the whole problem and we can then anticipate future needs and take steps to meet them in an orderly, business-like way.

I noted the other day in a report from the Marketing Branch at Ottawa that all domestic fruit coming into this city, and 85 per cent. of the livestock, come into this city by trucks, and I think hon. members will only have to look at certain things to realize how important today our highways are.

Prior to June, 1954, the department did not use private land surveyors, and this placed some degree of limitation on the amount of work that could be accomplished. The department is now employing the service of every available land surveyor, and this has enabled us to speed up the whole process of acquiring land, in addition to which we have streamlined the processing of payments.

Some idea of the tremendous increase in this phase of the department's work, and the pressure it has imposed upon our staff, may be gained from the fact that up until comparatively recently the

department used to buy around \$3 million worth of land in a year, while in the fiscal year now coming to a close we will have bought more than \$11 million worth of land. For example, we expect to have all the land required for highway No. 401 (504 miles) from Windsor to the Quebec border purchased by June 30 of this year and paid for shortly after.

Every time we buy a piece of property now we present the owner with a plan showing what property we are acquiring. This has proved useful to the owners and they have indicated that they appreciate it.

This year we will sell more than \$1 million worth of land comprising assemblies of property in cases where we found it necessary to sever existing farmlands. In some areas, particularly metropolitan areas, land that we bought at \$400 an acre will sell at around \$7,000 an acre. Generally speaking we make such a profit only on suburban and urban lands. We do not usually make any profit on the resale of farmlands.

We complete about 6,000 sale agreements a year and only in 15 or 20 cases is the settlement taken to arbitration before the Ontario Municipal Board. Most of the cases which do go to arbitration involve land that is on the outskirts of cities and towns where the land use is changed from rural to urban.

As we are buying so much land I should like to mention briefly some of the policies we follow in acquiring properties. When it is necessary to sever a farm we always give the owner the option of selling his whole farm. However, if he does not want to sell the entire farm, an allowance is always made for inconvenience, going, depreciation of remaining property and, of course, for forceable taking.

Wherever it is possible, we try to run a controlled access highway at the rear of the farms, but this is not always possible because of the unfortunate shape of many townships. We are keenly aware of the fact that the loss of even a few acres is a serious matter, but the economy of the country demands new and better roads, and to build them we

must have land. In obtaining land we lean over backwards to be fair and, of course, it should be remembered that without new and better roads, farming areas would become isolated from industrial areas and both would suffer.

It might also be noted at this point that industry and housing are taking much more land out of cultivation than our highways.

Now a word about lands.

One of our major tasks is the purchase of property for construction of controlled access highways. While we have a backlog of property acquisitions in which agreements still have to be reached between the owners and ourselves, we are at the same time buying well in advance of our construction requirements in every case where that is possible. It is our hope that by the end of this year the property we will require for construction of controlled access highways, No. 401 in particular, will have been bought two years in advance of the start of construction.

In the past year and a half we have made great strides in clearing up the backlog of unsettled expropriations. Prior to June, 1954, there were some 2,900 cases of expropriations in which an agreement had not been reached.

I might explain that means only properties; it does not mean we have reached the stage of expropriation proceedings, but rather that expropriations have been filed.

That number has now been whittled down to 500. That is quite a land purchasing operation.

Prior to June, 1954, we had 4,020 land acquisitions in which agreements had been signed but the owners had not been paid. That number has been reduced to 45. Our procedure has been improved to the point where it now takes us approximately 90 days to complete all the necessary phases of reaching an agreement. For example, since June, 1954, we have made 6,600 agreements to acquire land and for all but 1,100 cases the owners have been paid. We are now making agreements for the acquisition of property at a rate of about 450 per month.

It is my intention to say something about the requirements of traffic, and our plans for handling them. I have completed my references to the King's highway sections.

I come now to municipal roads, and, as I have mentioned before, our way of assisting municipal roads is entirely different from our planning and constructing of the King's highways. The municipal officials — the reeves and mayors, and various others — plan the municipal work. Our share in that is to approve for subsidies, and to subsidize various percentages of the roads, depending upon the ability of the rate-payers in the various types of municipalities to pay for these roads.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Chairman, may I ask the hon. Minister a question? He just made a statement that township roads are given whatever the local people can contribute. May I ask if the hon. Minister means he will O.K. the township road Budget?

HON. MR. ALLAN: I said the choice of roads which would be built or improved in the municipality was that of the municipal officials, and the programmes are presented to us, and approved, as far as possible.

As the hon. leader of the Opposition knows, we have a generous programme of assistance in capital work, which will be permanent in the municipalities, by supplemental by-laws, and each one is considered by itself.

I will have placed on the desk of each hon. member of the House a little history of the municipal roads in the province of Ontario. I will not weary the hon. members by taking the time to go into details, except to say that where we subsidized in 1942 — I think it was — to an amount of less than \$4 million, we will assist by way of subsidizing development roads, this year, an amount of about \$41 million, and we propose to extend that assistance next year by another \$8 million.

The development and municipal roads of this province are becoming "big busi-

ness." Last year, the municipalities spent an amount in excess of \$80 million — perhaps \$85 million — the returns are not complete, and I cannot give the definite figure, but it is a large operation, and is carried on by the municipalities through their own officials, engineers and others, and our part is that of subsidizing at least a portion of these expenditures.

As the hon. members well know, we have a very great many types of municipalities and it is interesting to learn why plans have been worked out, whereby, throughout the province, every type of organization, some of which are not even municipalities, are able to receive assistance from this government in regard to the building of roads in a particular area. Where there are important concessions in the north or statutory labour boards, through our district municipal engineers, we subsidize the work to a very large extent; in some cases, to over 70 per cent.

A year ago I reported to you that we had initiated a revised procedure for the submitting and opening of tenders and the awarding of contracts. Tenders are opened in the presence of the Deputy Minister, chief engineer, financial comptroller, tenders secretary, services manager and other designated officials and all tenders are carefully checked immediately.

The successful tenderer, who is always the lowest bidder, is known in a matter of hours and usually the announcement of the award of the contract can be made the following day. Names of all tenderers and their bids are published, as is the contract award and all this information is provided to the daily, weekly and trade press.

During the past 12 months we have altered and refined our tenders procedure, always with a view to maintaining strict control and ensuring that the interests of the province and the people are protected. We are still reviewing our existing procedure for calling tenders, awarding contracts and controlling them after the award, and we expect that we shall be able to announce

the details of these revisions before the commencement of the 1956 construction season.

About 3 weeks ago we informed the contractors who bid for our work that we would immediately reduce our hold-back percentage from 15 per cent. to 10 per cent. on all new contracts and existing contracts.

All through the winter months we have been steadily calling tenders and awarding contracts in order to give the contractors a chance to organize for the opening of the construction year. We believe this is sound business practice, and we have been assured by the contractors that it enables them to operate more efficiently.

Well before the opening of the construction season last year, we published a list of all the work contemplated during the year. The contractors indicated that this was extremely helpful to them in planning their operations and making their bids. Accordingly, we have done the same thing this year and we trust that it will again prove to be a factor in the efficiency of the entire highway construction programme.

Last year we undertook the greatest highway construction programme in the history of this province and, in fact, the largest programme ever launched in Canada. I am pleased to report that during the 1955 construction season, 489 miles of highways were paved (including 262 miles of resurfacing of existing highways), 45 bridge structures were completed, and we graded 267 miles in preparation for paving.

In addition to this huge volume of work that was completed last year, at the close of the construction season we had contracted for the construction of 593 miles of paving, 461 miles of grading, and 44 structures. About half of the structures were near completion at the close of the construction year, and work on the remainder depends upon the supply of steel which, as you know, is not very satisfactory these days.

While we have anticipated our steel requirements and are guaranteed regular

allocations from the steel companies, like everyone else we are feeling the pinch of short supply. For example, due to the present shortage of steel supply, it takes from 10 months to a year from the time a contract is awarded until a bridge is completed. If the steel supply position deteriorates that time lag could become greater.

Large as our programme was in 1955, our 1956 work will be more extensive. With the carry-over of construction for 1955, the extensive work we will do this year on the Trans-Canada highway and the contracts that will be called this year for work in 1956-57, we will be working on 880 miles of new paving, 350 miles of resurfacing, 780 miles of grading and 156 bridges.

The total mileage of highway No. 401 from the Quebec border to Windsor will be 515 miles, and our work programme for the coming year—in fact for the next few years until this great trans-provincial highway is completed, will be our major operation.

At the present time 72 miles of highway No. 401 is open to traffic, although 29 miles of this is limited to one lane only. By the end of 1956, we will have an additional 84.5 miles of paved 4-lane open for traffic. Apart from this mileage, we now have under construction 66 additional miles of grading, and we plan to start the construction on another 23 miles during 1956.

The roads and streets of the province fall into two main groups: (1) those that have been assumed as King's highways or secondary roads and which are under the direct jurisdiction of the province; (2) those that are under the jurisdiction of the various municipal corporations in the province and in the unincorporated townships of the north.

Expenditures on roads and streets in this second group are administered by the municipal roads section of the department, which has a district municipal engineer in each King's highway district and an additional one in the Metropolitan Area of Toronto and in the district of Parry Sound, making 20 in all.

Provincial aid to the municipalities was first extended in 1901 when legislation was enacted to provide for subsidies of $33\frac{1}{3}$ per cent. for county road construction. In 1920, provision was made for a 20 per cent. subsidy on township roads and 40 per cent. on the township road superintendent's salary. In 1924, expenditures on county bridges became eligible for a 40 per cent. subsidy. In 1925, the rate of subsidy for township roads was raised to 30 per cent. and the superintendent's salary to 50 per cent. In the same year the county rate became 50 per cent. In 1930, the township rate became 40 per cent.

Following the transfer of the road functions of The Department of Northern Development to The Department of Highways in 1937, the municipalities in northern Ontario became eligible for aid under The Highway Improvement Act and this went into effect in 1938. Aid to unorganized townships continued to be administered by the King's highways branch until 1944, when the Act was revised and clarified, and the administration was turned over to the municipal roads section. The same year saw an increase in subsidies on county and township bridges from 50 to 75 per cent.

The year 1946 saw the enactment of legislation to provide for the designation of development roads whereby special aid might be granted to municipalities for the construction and improvement of roads for the promotion of settlement or development where the cost would be beyond that which could be borne by the municipality under the normal rate of subsidy.

The year 1947 was important in the expansion of provincial assistance to the local municipalities, for in that year aid was first extended to the cities, towns and villages of the province. In that year, too, the rate of subsidy on county and township bridges was raised from 75 to 80 per cent.

The aid to the cities, towns and villages was on a somewhat limited basis in 1947 and 1948, but the Act was

again amended in 1949 to remove the limitations which had existed in the two former years, with the result that practically all expenditures for improvement and maintenance of urban streets became eligible for subsidy.

The administration of aid to the municipality of Metropolitan Toronto for road expenditures became a function of the municipal roads section in 1954, following the establishment of the Metropolitan road system, and a new municipal roads district was established at the beginning of 1955 to deal with the Metropolitan Area alone.

As many hon. members of the House will recall, in 1955 the rate of subsidy on bridge and culvert expenditures in the towns and villages was raised to 80 per cent.

The foregoing brief history of increasing provincial assistance to the municipalities, with respect to their road problems, recites only the more important Legislative enactments and departmental changes that have taken place. There have been many more, all with a view to benefitting the municipalities. Corresponding benefit has been conferred on the unorganized townships where applicable.

From the small beginning in 1901 when a few counties received a grant of $\frac{1}{3}$ of the cost of road construction only, we have reached the point today where we are providing assistance to approximately 1,400 separate organizations and other groups. In the municipal roads programme for the year will be found a classification of the various municipal organizations and the rate of subsidy applicable to each. In addition to the 999 organizations listed there, we also extend aid to approximately 160 statute labour boards and 240 other groups in the unorganized townships. I say "approximately" because all of the boards or groups do not ask for aid every year.

The road mileages apart from King's highways and secondary roads are, in round figures: counties, including suburban roads, 9,350; urban (city, separated towns, towns and villages)

7,210; organized townships, improvement districts and Indian reserves, 49,210; metropolitan areas, 280; unorganized townships, 4,820; for a total of 70,870.

With respect to the financial assistance, past and present, the provincial contributions have shown an even more spectacular rise than the increase in the number of organizations and the increased rates of subsidy. Past annual reports of the department reveal that in 1903 the government subsidy to municipal roads amounted to \$55,383, and incidentally the number of motor vehicles registered in the province in the same year was 178. Between that time and the end of 1934, the subsidies had grossed \$77,094,416. For the year 1935 the subsidies were \$2,787,079, and there was a steady rise to 1941 when they reached \$5,589,121. Due no doubt to the adjustment to wartime conditions, they dropped to \$3,589,121 for 1942.

Up to this time subsidies were payable to counties and organized townships only. During the next 4 years aid was extended to roads in the unincorporated townships and to development roads and in 1946 the total subsidies and grants paid were \$9,446,090.

When the urban municipalities were included among those eligible for aid in 1947, the subsidy payments rose sharply to \$15,666,798, and in 1949 they reached \$23,155,649. I mention this year particularly as it was the first year in which approximately the same number of municipalities and other groups were receiving aid at substantially the same rates as are in effect today. In 1954 the actual expenditures and government subsidies or other aid were:

At this time we have not received the annual statement of expenditures from all the municipalities, and the actual expenditure and subsidy figures are not available. But I may say that we expect that the total expenditures, exclusive of unincorporated townships and development roads, will be approximately \$80 million with a subsidy equivalent of some \$41 million.

This year, anticipating a continuing expansion in municipal roads requirements, your government has placed before you the largest Estimates ever for the purpose. They are in fact \$8 million greater than last year. Estimating for municipal road and street requirements presents a problem, in that we are not estimating for work which is under our direct control. It is the council of each municipality that initiates the programme of work to be carried out and appropriates the money to meet the programme, and it is difficult to forecast the wishes of incoming councils. The department reserves the right to refuse subsidy on any expenditure or proposed expenditure for work which may not appear desirable, or may not be properly designed, or which may not be met within the approved limit of the appropriation, but it is not our desire to interfere with the local authorities unless it is absolutely necessary to do so.

With a view to encouraging the construction of more permanent roads, and a levelling off of the rapidly rising expenditures for maintenance, each municipality has been notified of a limit that will be approved for maintenance expenditures. The total amount of these allotments is \$38,134,500, and the

<i>Classification</i>	<i>Expenditure</i>	<i>Subsidy or Aid</i>
Counties	\$17,221,063	\$ 9,393,936
Organized townships (including improvement districts and Indian reserves)	23,346,393	13,185,561
Cities, towns and villages	18,223,848	7,021,798
Municipality of Metro Toronto	6,134,960	3,067,480
Unincorporated townships	1,050,000	735,240
Development roads (department expenditure)	1,662,061
	<u>\$65,976,264</u>	<u>\$35,066,076</u>

estimated subsidy requirement is \$20 million.

An allotment has been made also for the normal construction requirements of each municipality, amounting in total to \$34,435,500, and subsidy estimated at approximately \$18 million. In addition to these two amounts, we have also provided a reserve of \$12 million to take care of special capital works of a permanent, non-recurrent nature such as a special paving programme, a large bridge or, in the smaller townships, the purchase of a large unit of equipment. This \$12 million is a subsidy figure and will represent expenditures of almost twice that amount. The allocation of this reserve will be made upon the submission by the municipalities of a supplementary by-law and approval of the projects.

As mentioned before, the total Estimates for the coming fiscal year are \$8 million in excess of the present year. This year they are \$50 million and last year \$42 million, a percentage increase of more than 19 per cent.

In addition to the provisions for subsidies for the organized municipalities of the province, \$350,000 has been provided under ordinary and \$5 million under capital for development roads. These are roads within the organized municipalities which require improvement to an extent that is beyond the financial means of the municipality to supply.

Frequently they are roads that carry traffic that has neither a local origin nor destination, and consequently are more in the interest of the general public than of the local residents. In other instances, they serve to open up and develop areas of a municipality to facilitate access to summer resort areas. The ordinary vote includes provision for discounts on rental of department-owned equipment to the smaller and poorer municipalities, where it would be uneconomical for them to purchase equipment of their own.

The unincorporated townships in the northern part of the province have not been overlooked, and \$600,000 has been

provided for ordinary expenditure and \$400,000 for capital payments. The ordinary allotment is to match on a dollar-for-dollar basis the contributions by statute labour boards or other groups whether that contribution be in the form of cash or statute labour performed.

The capital amount is for the same purposes as the development road funds for organized municipalities.

I am sure that the hon. members of this House will agree that this government has gone a very long way to make available, to the municipalities and unincorporated townships of the province, the financial assistance that undoubtedly they require to meet the increasing demands of motor vehicle traffic.

The motor vehicles branch of the department is under the direction of the registrar and is responsible for the administration of many of the provisions of The Highway Traffic Act, The Public Vehicles Act, and The Public Commercial Vehicles Act.

Under The Highway Traffic Act, motor vehicle permits and drivers' licences are issued through the motor vehicles branch, which at the present time has 239 agencies located throughout the province in addition to the central headquarters. Reports of all permits and licences issued, and the fees collected, are reported daily by each agent. Permits and licences are then classified and recorded numerically and alphabetically in the head office files.

In 1955 there were 1,617,778 motor vehicles registered; during the year 1,856,845 drivers' licences and 370,093 temporary instruction permits were issued.

Revenue collected by the branch for the fiscal year ending March 31, 1956, will approximate \$38 million.

The motor vehicles branch of the department is also responsible for the administration of the following provisions of The Highway Traffic Act and the regulations made thereunder:

1. The examination of all applicants for drivers' licences.

In recognition of the duty to provide as high a driving standard as facilities

will permit, the instruction manual for examiners has been revised and extended, increased attention has been given to the instruction and supervision of the examiners, and an experiment is being carried out in Toronto which provides for a much more comprehensive driving test than has been undertaken in the past.

This test includes—in addition to the behind-the-wheel road test—an examination of the applicant's vision, knowledge of road signs, and a written test of knowledge of driving laws and safe driving rules.

2. The maintenance of the operating record of every driver: (a) convicted of any offence involving the use of a motor vehicle; (b) involved in any reportable accident; and (c) who fails to satisfy judgment arising out of a motor vehicle accident.

3. Maintain a record of all motor vehicle accidents in Ontario and compile statistics relating to such accidents.

4. Administer the financial responsibility provisions of the Act which require the filing of proof of financial responsibility by all persons convicted of certain offences named in the Act, and following conviction for all offences arising from motor vehicle accidents. During 1955, some 20,000 suspensions were applied for various reasons and periods.

5. Administer certain provision of the unsatisfied judgment part of The Highway Traffic Act.

All legal work in connection with this part of the Act is handled by The Department of the Attorney General, the senior solicitor for that department acting for the Minister of Highways, and the registrar of motor vehicles in all cases involving payments from the fund.

From its inception in July, 1947, to the end of December, 1955, payments were made from the fund in about 3,100 cases. The total amount paid from the fund during this period was about \$8.25 million.

This fund is wholly maintained from the collection of an annual \$1 fee re-

ceived from each licenced driver. No administration costs or other expenses of The Department of Highways or The Department of the Attorney General are charged against the fund.

6. The branch, for many years, has carried on a continued highway safety campaign to improve the safety of our highways, and to obtain the support of both motorists and pedestrians to that end.

Every form of publicity has been used, including newspaper, radio, billboards, poster advertising, television and pamphlets. Willing assistance is at the same time always given to support the splendid work being carried on by local groups in many communities throughout the province in the interests of safety.

Under The Public Vehicles Act, all inter-urban, interprovincial and international bus lines are licenced and regulated. Schedules of operation, tariffs of tolls, and certificates of insurance for public liability, property damage and passenger hazard are required to be filed with the branch by such bus operators.

During 1955, 228 operators were issued licences for about 2,600 public vehicles. In addition, about 1,700 school vehicle operators and 2,000 school vehicles were licenced during the year under the provisions of this Act.

Under The Public Commercial Vehicles Act, all inter-urban, interprovincial and international truck transport operators are licenced. Such licences are made available in accordance with certificates issued by the Ontario Highway Transport Board. Operators of public commercial vehicles are also required to maintain on file in the branch certificates of insurance for public liability, property damage and cargo.

A staff of inspectors is maintained to enforce the conditions of licences issued for both public and public commercial vehicles.

That, Mr. Chairman, is an outline of what we have done in the last year in our department, and some of our plans for the coming year.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Chairman, before the itemized Estimates are called, I want to deal with one or two matters which have arisen from the hon. Minister's remarks this afternoon. Running through the hon. Minister's speech was a constant reference to the "King's highways." I have never been able to understand nor appreciate, Mr. Chairman, why we should continue to call our main arteries the "King's highways." I think the time has come when we should be realistic about this matter, and refer to these highways as the "Queen's highways."

Unquestionably in the minds of all of us, there is the fervent hope that Queen Elizabeth will reign for decades, certainly a good many years, and it would seem proper and appropriate that the highways should be re-designated as "Queen's highways." That, of course, is a passing thought which arose as I heard the hon. Minister speak this afternoon, and I think some thought should be given to that particular matter.

The hon. Minister this afternoon referred to the township and county roads and for a few moments I want to deal with that in a broad sense. I tried to get the hon. Minister to agree that when the townships and the counties presented their road Budgets, they were honoured by the department, and the payment of the subsidies was on the basis of what the local authorities felt they could accomplish in their own particular municipality.

I think we have gone some distance in the wrong direction in regard to this matter. It seems to me that if a municipality, whether it be a township or a county, is prepared to levy taxes on its citizens to the extent of 50 per cent. of the cost of new road construction or maintenance — this government, and The Department of Highways, should honour, in the main, the desire of the local municipalities. I am ready to admit, Mr. Chairman, that in some instances, municipalities would ask for the impossible, but, generally speaking, the municipalities of this province are

not going to commit their taxpayers to carry a burden for township and county roads which is an unrealistic burden.

It seems to me that the least this government should do, if they are desirous of improving road conditions in the province, is to meet the desires of the local municipalities, and pay 50 per cent. of the cost of their estimated road Budget.

When we are in the detailed Estimates, I am going to question the hon. Minister further on this particular matter.

The hon. Minister said, in the course of his remarks, that last year this government had an ambitious road programme. Well, of course, this government always has an "ambitious road programme." We always hear, at the beginning of the year, how much money this government is going to spend on roads, but it never seems to get around to spending the entire appropriation. However, it makes good reading. In any event, they can tell the faithful throughout the province, and the people generally, that they are going to spend a very large amount on roads.

Last year, of course, was no exception. This Legislature voted to allow The Department of Highways to spend a certain amount on roads. The department was not able to spend that money, in the year just passed. Millions of dollars which were voted by this Legislature for road construction were not used for that purpose, by The Department of Highways. I suggest to the House that there is something wrong with a department which cannot spend the appropriation voted for it by this Legislature.

The hon. Minister when speaking in February last year made some remarks in relation to this, and I want the hon. members of the House to catch the significance of this remark. Speaking to the Roadbuilders' Association on February 23, 1955, he said:

We mean to insist that no firm submit tenders for more work than it can complete promptly and efficiently.

I believe the hon. Minister intended to carry out that plan, but this year, speaking at the annual meeting of the Roadbuilders' Association, he said:

The disappointing hold-over was a result of contractors tendering for and receiving more contracts than they were equipped to carry out.

A year ago, the hon. Minister stated to the contractors of this province that this government is determined that it should not let more contracts than the contractors were able to carry out in the year, and a year later the hon. Minister is forced to say to the same association that the reason the department did not spend the appropriation voted by the Legislature was because contractors had not lived up to their obligations, and did not complete the work in hand.

I would say I have some sympathy for the hon. Minister's first undertaking. I do not believe that contractors should be given more work than they can conveniently carry out during the construction period. There are a number of roads in the province now, the construction of which has been going on for a year or so, and I do not think that is proper. I do not think it is a proper way to construct roads.

The hon. Minister should insist now, as he insisted a year ago — and when he insists this time, he should "make it stick" — and not have to come back a year from now and tell the road contractors that it was their fault that they took on more than they should have in the first instance.

The hon. Minister said something, too, about steel, and I want to ask the hon. Minister a question and ask him to answer it, when he comes down to the front. He said the scarcity of steel was a factor in retarding the road programme during the past year. I have not any doubt that this is correct.

But I want to ask the hon. Minister now, and have his answer later on, is there no other place we can get steel? Can we not get steel from England, for instance, or Germany, or other countries? Must we depend upon the one

uncertain source of supply? It seems to me that part of the over-all planning of The Department of Highways would include making sure that these requirements for steel would be available from some source, and that never again in this province would the lack of steel be a factor in holding up road construction.

The hon. Minister said something about the tender system being a different system now, than it formerly was. Of course, any change would be an improvement, there is no question of that. He said there were now public openings. Actually, the hon. Minister knows they are not public openings, but what one might call "semi-public openings." The public are not invited to attend. They are only "public openings" to the degree as set down by The Department of Highways, and we will never be free of the cancerous growth which was prevalent in The Department of Highways until there are public openings of tenders, in the real sense of the word. We have not "public openings" now, and the hon. Minister knows it. They are only "public openings," insofar as the hon. Minister, or others, may designate those who can and should and will be present at the openings.

Mr. Chairman, I want to say a word about a matter the hon. Minister carefully avoided mentioning, and that has to do with the old accounts, between The Department of Highways and the contractors, when irregularities were the order of the day. I want to ask either the hon. Minister or the hon. Prime Minister this question: have these accounts all been straightened up to date? Have the fines been paid as the court directed, and are there any outstanding accounts which date from the time of the irregularities and are still outstanding at the present time?

The hon. Prime Minister has said time and time again that we did not lose a dollar in all these irregularities. They do not know whether we lost a dollar or not, until he has made the final calculation, and reached an agreement with the companies involved, and it depends altogether on what kind of agreement you make with them, whether

we lose a dollar, or a good many dollars or not.

What I want someone to give me this afternoon is the picture which obtains in relation to that whole matter. Is this thing straightened out, or are there still outstanding accounts which are subject to negotiation between the contractors and The Department of Highways, and if there are still some, how many are there, and what are the amounts involved?

HON. MR. ALLAN: Mr. Speaker, it is not often that I can agree with the hon. leader of the Opposition, but when he says that we approve work suggested by the counties, in the main, I thoroughly agree with him, because that is how we do approve them. Last year, every project which seemed to our municipal roads branch to be a sound project, and which was being done as capital work in the municipality, we approved, all or nearly all of the supplementary by-laws presented. We intend to approve more this year than we did last year, and it is our hope that we will have sufficient funds with which to do that.

MR. OLIVER: Could the hon. Minister tell me what proportion of the total estimated Budget of the counties and the townships was finally approved by the government or The Department of Highways?

HON. MR. ALLAN: I do not know what you mean by "estimated Budget."

MR. OLIVER: I thought I made myself clear. The townships and counties render an Estimate as to what they desire to do in regard to road construction in the ensuing year.

The hon. Minister has that Estimate in his department. The question I am asking is what percentage of that Estimate was finally approved for payment of subsidy by The Department of Highways?

HON. MR. FROST: Perhaps I should put the answer the other way. And perhaps we could consider the ex-

penditures on the approved by-laws. It has been the case now, and for some time past, that in almost every case the municipality underspent the by-law.

MR. OLIVER: The approved by-law?

HON. MR. ALLAN: That is quite right.

MR. OLIVER: Where does that happen?

HON. MR. FROST: All over Ontario.

MR. OLIVER: That is asking too much.

HON. MR. ALLAN: I would further reply to the hon. leader of the Opposition by saying that our Budget was approved last year for King's highways for construction, amounting to \$70 million. We have completed construction of \$64 million, out of that \$70 million.

HON. MR. FROST: In other words, there are \$6 million which are still unspent in the municipal Budget.

HON. MR. ALLAN: I am speaking of King's highways now.

As to my statements to the road-builders last years and this year; my feeling in that regard is entirely as it was when I made the statements. I think I can forecast that my hope will finally be realized.

HON. MR. FROST: Perhaps I may ask a question of the hon. leader of the Opposition. He read an excerpt from a speech the hon. Minister of Highways made last year. I would ask him if he has read some of the speeches he made last year himself?

MR. T. D. THOMAS (Oshawa): Mr. Speaker, I am not quite satisfied with the answer by the hon. Prime Minister, nor I do not think the hon. leader of the Opposition is either.

When a municipal by-law is submitted for the approval of The Department of

Highways for an item of \$250,000, that is scrutinized by the department. They will grant only a certain portion of that. It is quite true to say, as the hon. Prime Minister has said, that the total amount of money to be expended by by-law was not spent by the municipal authority, for the simple reason that they could not receive a subsidy on the whole of it. That is the picture.

HON. MR. FROST: No, no. They could not complete their work programme. That is the simple explanation.

HON. MR. ALLAN: It is certainly a fact that a great deal of the money for which municipalities submitted supplementary by-laws last year, that municipalities expected, I am sure, to use it to complete their work last year. I may be able to give figures, in this connection when I come down to the front bench. I am not sure now, but I understand a very great deal of that work has not been completed.

MR. THOMAS (Oshawa): Because they could not secure the subsidy.

HON. MR. ALLAN: The amount of money represented by the by-laws, which were approved, was greater than the value of the work completed.

MR. OLIVER: The hon. Minister now is speaking about supplementary by-laws?

HON. MR. ALLAN: That is right.

MR. OLIVER: There is a very great difference between the two, as the hon. Minister knows.

HON. MR. ALLAN: I may say to the hon. leader of the Opposition there is no difference. It is exactly the same, except that if during the year they want to do more work, we assist them by approving supplementary by-laws for capital projects.

MR. OLIVER: Towards the end of the year, the weather conditions will interfere and they cannot get it done.

HON. MR. ALLAN: I realize that.

MR. H. F. FISHLEIGH (Woodbine): Mr. Chairman, there has been some difference of opinion in regard to the names "Queen's Highways" and "King's Highways." That method of naming a highway dates back a very long time, to before the time of Christ, in fact to the time of the emperors of Rome. They started to build a highway around the southern part of Italy. The various Caesars named all the highways after various names, and they built highways all around the south of France, around Spain and back to France again. As the Caesars died, the highways were called after them. They might have built 300 to 600 miles of highways.

When they conquered Britain, the same thing happened. They called the highway after the emperor who built the highway.

Britain today has followed the same pattern, and we here in Canada, have also adopted that pattern. It means, more or less, the calling of the highway after the emperors or kings or queens in whose time it was built. If it was built in the time of King George, it is called the "King's highway," and if built in the time of Queen Elizabeth, it is called the "Queen's highway." That is the history of naming these highways.

MR. R. WHICHER (Bruce): Mr. Chairman, I would like to say a word on a very serious point in connection with highways. According to figures given to me by The Department of Highways, last year 207,538 tons of salt were used on the highways in the province of Ontario, on a total number of 8,510 miles. That works out at over 24 tons of salt for every mile of road—that is, provincial highways—in this province.

I know that salt is most necessary to help melt the snow, etc., but I wish to point out that there is nothing more destructive to an automobile than salt on the highways. I do not think I would be far out in saying that in a given year

the salt which eats into the undercarriages of our cars, car doors, etc., does about \$200 worth of damage to each car. I can think of nothing more deteriorating to a car than the slop from water mixed with salt brine, coming up on the underside of cars and trucks.

When one considers that last year there were 1,617,778 vehicles in this province, and taking a very sensible figure, there being so much damage done to each vehicle, it will be easy to realize that it runs into millions and millions of dollars' worth of destruction to our automobiles. I often think that The Department of Highways must be in league with the people who repair cars, because, honestly, the destruction of our automobiles and trucks is really deplorable.

Once more I may say that I know a certain amount of salt is necessary. However, I am sure that all hon. members have seen highway crews going along highways throwing out salt, when there really was no snow—or only a little—on the highway at all. I would like to say to the hon. Minister that by so doing, he may be keeping the crews busy, but it is done at the expense of the destruction of millions of dollars' worth of property in cars and other vehicles in this province.

I think the crews could well be told that where it is necessary to put this salt on the road, they should go ahead and do so, but I know and the hon. Minister knows—if he will admit it—that very often there must be tons of salt put on the highways when it is not necessary at all. Just think of it, 24 tons of salt for every mile of road in the province of Ontario. That is too much.

HON. MR. FROST: Perhaps the hon. member's arithmetic is not too good. I want to check over those figures.

MR. WHICHER: Perhaps I have made a mistake. They are the hon. Prime Minister's figures.

HON. MR. FROST: How did the hon. member divide it?

MR. WHICHER: I divided the number of tons of salt by the number of miles, 8,510.

HON. MR. ALLAN: Mr. Chairman, if there is one particular activity on our highways of which we are proud and on which we receive compliments from persons in Ontario, and from many citizens of the United States, it is the maintenance of our highways in the winter. I say, quite honestly, that I am interested in watching the crews on the roads in applying salt. The only criticism which could possibly be made is that, because of the number, that is, the number of the crews and the trucks available which do this work, there are times when it is not possible to get it done as quickly as we, and those who use the highways, would like to have it done.

In regard to the safety of the persons who use the highways—and I might mention that the highways which serve this province are almost as necessary to the life of the community as the circulatory system to the human body—one of the fine things accomplished by our department is the splendid job they do on winter maintenance.

MR. WHICHER: Mr. Chairman, I have not the slightest intention of accusing the hon. Minister of Highways of not looking after the roads in the wintertime, but I do say at the same time that it is too much salt to be thrown around this province. So much of it splashes up on our vehicles, and wanton destruction is the result. I know that our highways, generally speaking, are in good shape in the wintertime. At the same time, let hon. members just look at the figures—27,538.45 tons of salt on 8,510 miles.

HON. L. M. FROST (Prime Minister): Mr. Chairman, I am advised, to start with, that the amount of salt mentioned is for two years, not one. That is the start of the "debunking" of that story.

MR. WHICHER: Is that two winters? Is that correct?

HON. MR. ALLAN: That is right.

MR. WHICHER: Let me finish by saying that it is still a great deal of salt.

HON. D. PORTER (Provincial Treasurer): How much salt would the hon. member suggest?

MR. WHICHER: I would ask the hon. Provincial Treasurer to look at the underside of his own car, and see the condition it is in, if his car is over a year old.

MR. J. YAREMKO (Bellwoods): Mr. Chairman, I would like to express my own point of view on this. I would rather have my car deteriorate to some degree by the salt coming upon it, than endanger the lives of myself and family, by skidding on even one square foot of ice which had no salt on it, on any road.

MR. J. ROOT (Wellington-Dufferin): Mr. Chairman, I was very pleased to hear the hon. Prime Minister say that was for two years. Perhaps he would tell us whether all the salt was used on the roads in those two years. I live in the Owen Sound division, the same as the hon. member, and I never have had anyone complain to me about there being too much salt on the roads. On the contrary, however, I have had people call and ask where the salt truck was, as there was so much ice.

HON. MR. FROST: Mr. Chairman, I was asked a question about the settlement of some of the outstanding contracts. They were the principal planks in the hon. member's election platform last May and June. All the fines have been paid long ago. They are completely paid and settled.

MR. MacDONALD: They have made enough since to pay them.

HON. MR. FROST: Some of them have not done any work for the department since, so I don't know how they made their money.

MR. MacDONALD: Some of them did.

HON. MR. FROST: Answering the other part of the question: the hon. member asked whether some of the contracts are not settled. I would say the answer is "yes, in quite a few cases they are not settled." Out of several hundred contracts—I have not the figures before me—I should imagine there probably would not be more than a score—probably less than that—involving, I should say, 3 or 4 contracts, which are not settled. These settlements have been very carefully done. The work has been measured. The matter has been passed upon by a committee which advised the department, and these things have been meticulously examined by the highways staff.

The residue which remain to be settled, that is, money claimed from us, represents a very, very small minority of cases, probably less than 20 contracts, out of several hundred. Those matters, I think, are settled progressively, and no doubt they will all be settled shortly.

May I repeat what I said in the House a year ago, and what I said during the year is a fact. As a matter of fact, investigations show almost universally that the contractors were, in fact, underpaid, and that not a dollar has been lost.

Of the outstanding contracts, there is one which I might mention which has not been assessed as yet, for the reason the firm involved, the Wolfe Construction Company, is insolvent, and have not bothered putting in claims. But we are going into that shortly, and if it follows—and I have no doubt it will—the pattern of every one of these other cases, then we will owe them money in the end. The statements that there was \$28 million which had gone "down the drain," and that the province had been "milked" out of millions of dollars, and so on, are absolutely unfounded. If the hon. leader of the Opposition questions that, I suggest he go to the same gentleman who gave him legal advice at the time the committee was sitting, because after sitting with the committee and advising him about

the "millions of dollars which was lost," by the province, shortly afterwards he accepted a retainer from the contractors themselves, and has since engaged himself in persuading the department the contractors have not been paid enough. I think he could give both sides of the question to the hon. leader of the Opposition.

MR. MacDONALD: What exactly does the hon. Prime Minister mean when he says, "in all cases they have been underpaid?"

HON. MR. FROST: In this House and elsewhere, it was said that the department had overpaid the contractors, by very large sums of money, that there were very large overpayments, and, therefore, money would have to be refunded by the contractors.

MR. MacDONALD: Over-runs?

HON. MR. FROST: No, over-payments. That was the statement made. In an assessment of these cases, it has been invariably found, when the cases have been properly assessed, the proper measurements have been made, and the figures of the contracts applied to those measurements, that a good job has been done and that we, in fact, owe them money.

The question may very properly be asked, "What was the department offered?"

Mr. Chairman, the highway matter first had its beginnings in the fall of 1952, at which time The Highway Improvement Act and the old highway improvement fund which existed for years, were amended. The Act was amended at a special session, in the fall of 1952, the provincial auditor, and the Highways Department addressed themselves to a revision of business methods which would meet the requirements of a great and expanding department.

Mr. Chairman, administratively, that is one of the greatest problems of both business and government in these days of great expansion, that is, securing the best methods, the best personnel, and the best organization to carry those

things out. That was the genesis of the highway matter, concerning which objections came to be known, and was widely spoken of, as the "highway scandal."

As a matter of fact, what happened was that in the course of this work which started in the fall of 1952, it was found, in the following year, there were contractors who were engaging in practices which could be called anything but orthodox. I must admit, in looking at this thing in retrospect, no doubt the difficulty arose through the matter of taking short cuts — unorthodox methods — to arrive at results which would be fair to the province in the long haul. That is what we found. At the time, it was found these things had occurred, and action was taken because of these unorthodox methods.

Nobody can condone the changing of records, and things of that sort. That was the point upon which certain criminal proceedings were based. May I say that in the assessment of what was actually due under the contracts, and in the assessment of the contracts themselves, in every case it was found it was not a question of over-payment — but rather a question of underpayment.

There might be a case where a contractor had 4 contracts. There might be an over-payment in one case, but there were underpayments in 3 cases. Of course, that can happen in the ordinary course of business. However, in no case has the province lost any money.

As a matter of fact, in every case we have investigated to date, there are only possibly 3 or 4 contractors which are still outstanding, and which have outstanding claims at the present time arising from that period.

MR. OLIVER: The hon Prime Minister just made a statement — and I believe it is accurate — that in all of the settlements which have been made, arising out of the monetary disputes, the province has found, after full deductions were made, that it owed the contractor money.

HON. MR. FROST: That is right.

MR. OLIVER: In other words, the contractor's claim was not only justified, but in addition thereto, the province felt it was entitled to pay more than he had claimed. Is that right?

HON. MR. FROST: I would say to the hon. leader of the Opposition that invariably the contractor always claimed more than he has been paid. You can understand that for that follows in the ordinary course of human life.

MR. MacDONALD: How does the hon. Prime Minister equate that with his earlier statement?

HON. MR. FROST: We might have paid a contractor \$200,000 and he was claiming \$300,000. When the claim was assessed, it was found we owed him \$235,000. That is the way it works out. Of course, the contractors will claim the last dollar. It is human nature, and it is our business to see they are paid the right amount.

MR. OLIVER: What the hon. Prime Minister says it at variance with what he formerly said.

HON. MR. FROST: It is exactly what I said.

MR. OLIVER: Supposing a contractor put in a claim for \$200,000. The hon. Prime Minister's former statement would indicate to me that he was paid, not only \$200,000—

HON. MR. FROST: No.

MR. OLIVER: What did it mean?

HON. MR. FROST: I say this. Supposing a contractor is winding up a contract, and when he reaches the point of final settlement, has been advanced \$200,000. That has been advanced on the contract. The contractor may claim \$300,000. As a matter of fact, it might seem strange if he did not. As I see it, they all claim more than there is actually due. But when the settlement is made, the claim thoroughly audited, the work measured, and the

whole contract assessed, he is paid, perhaps, \$235,000; in other words \$35,000 more than the advances which were made to him on the work.

It is true he claimed \$300,000, and his claim was cut down by \$65,000; but nevertheless, he was paid more than was advanced to him at the time the parties came together, to make a final settlement of the contract.

I would like to say to the hon. leader of the Opposition in regard to that question, there were some difficulties with these contracts, but in regard to the work done under the new system and by the new methods, this does not happen, because the contract would be re-written.

If a contract started off as a paving contract, or something of that sort, and the standard of work was increased—and in many cases the Trans-Canada highway came into the picture requiring much higher standards—on the basis of the original bids of so much for earth and rock and paving, the contract had been enlarged or extended to cover the higher standards.

In some cases, the contractor of course contended that initially he was bidding on a paving contract, and on the basis of rock or earth removed, if it had been considered as a contract for removing earth and rock, he would have made a different bid.

In some of those cases, Prof. Young and Mr. Lazier and Prof. Treadgold, of the university, have assisted the Deputy Minister and the officials in correctly making assessments.

I can say to the House we have not run across one case, out of these hundreds of cases, where the province has lost a single cent. I am satisfied, when they are all wound up—which will be in the next 3 or 4 months—not only will the province have not lost a cent but, as a matter of fact, the province will have had a tremendous amount of work and received very good value for the taxpayers of this province.

THE CHAIRMAN: I would like to direct the attention of the hon. members that from now on I will have to insist

that the chair be addressed first. It will facilitate things. There is no intention of cutting off any hon. member, but that rule will be followed from now on. The hon. leader of the Opposition.

MR. OLIVER: I would like to say to the hon. Prime Minister, when he repeats the province has not lost any money, that it all goes back to the method of assessment.

HON. MR. FROST: That is right.

MR. OLIVER: Certainly.

HON. MR. FROST: There is a variance of opinion as to whether the assessment is right or wrong.

MR. OLIVER: That is right. The hon. Prime Minister said there were 20 contracts still not settled in the department—I am not going to stick to that figure, but approximately—involving 3 or 4 contractors. What I want to know from the hon. Prime Minister, and I think it should be public property, is how much money is still in dispute between 3 or 4 contractors and the government?

HON. MR. FROST: I do not think I can answer that question. I can say that, as of today the 19th of March, all are settled except 4, and of the 4, one is bankrupt and has not made a claim, but we are going to proceed with the assessment of his case.

I would like to say to the hon. leader of the Opposition that he is right, from the standpoint of it depending upon the assessment of these contracts. I can assure him—and I am certain that he can verify this if he wants to—that in settlement of these cases the officials of the department have had the advice of an advisory committee, which is quite independent of government, consisting of Dean Young, of the University of Toronto, Prof. Treadgold, and Mr. Lazier, who is a well-known consultant.

I can say to the hon. leader of the Opposition that in these settlements, the department and its advisors have been tough and thorough, but at the same

time just and fair. We do not want to deprive them of anything which is fairly and justly due and I can tell the hon. leader of the Opposition that has been the case. They have not been deprived of anything which is justly and fairly due to them, but, nevertheless, the assessment has been proper and thorough, and our course of action has been taken from the standpoint of what is just and fair for the people of this province.

MR. OLIVER: I want to insist on what I think is a proper question, which would reveal information which hon. members of the Legislature should have.

The hon. Prime Minister has said there are still 4 contracts. It is all of 4 years since these discrepancies were discovered, and after 4 years we still have 4 contractors who have not had their claims adjudicated and settled by the government.

I think this House is entitled to know how much money is involved in these disputes which are presently pending and have not been settled.

HON. MR. FROST: I am unable to give that. Those matters are in the hands of the advisory committee, the contractors and the government. However, I have a recollection that a year ago it was said there was something in the order of \$2.5 million in dispute. I am going back 365 days, and I may be guilty of error, but I think that is right, about \$2.5 million in dispute. I would wager that nearly all have been resolved to the entire satisfaction of the province. In fact I am quite satisfied there would not be 10 per cent. of that amount, that is, \$250,000 in dispute at the present time.

MR. OLIVER: \$250,000?

HON. MR. FROST: The hon. Minister of Highways says that all together there would be in aggregate less than \$1 million in dispute.

MR. OLIVER: \$1 million yet?

HON. MR. FROST: Does that include the whole contract or the portions in dispute?

HON. MR. ALLAN: That includes the portion which is in dispute.

MR. OLIVER: The whole contract would be in dispute.

HON. MR. FROST: That would include the Wolfe matter, which has not been assessed, but will be in the coming months, because we are going to be fair with that, and clean it up.

I am quite satisfied. I can say to the House, from the experience we have had in these cases and in the settlement of these cases, that the province, as I said a year ago, and as I have said during this past year, will not lose one dollar.

MR. WHICHER: I would like to ask the hon. Prime Minister if there were no criminals, and if the province did not lose one dollar, why were some of these contractors fined?

HON. MR. FROST: What I said was this: that the criminal actions were taken because of the methods which certain contractors had used. In none of those cases was there ever an amount mentioned which was the principal point of issue. However, the point is that in connection with some 600 or 700 contractors in Ontario, there was a small residue of less than half-a-dozen—and possibly only 3—who were found guilty of using methods which were improper. It was regarding the methods that charges were laid, and, in every case, there was a plea of guilty. It was not on the question that these people had defrauded the Province of “X” dollars at all. It was on the methods which were used in the settlement of these contracts.

MR. NIXON: Conspiracy, and so on.

HON. MR. FROST: That is right.

MR. D. MacDONALD (York South): Mr. Chairman, I was very much interested in the hon. Prime Minister's description of this “horse-trading” process, where, in the case he cited, a contractor demanded \$300,000

and the hon. Prime Minister thought it should be \$200,000.

HON. MR. FROST: That was not “horse-trading”, Mr. Chairman.

MR. MacDONALD: And the hon. Prime Minister finally ended up at \$235,000. This was an example, and I agree it was just a mythical case. I was interested because I want to repeat once again, and then not argue it any further, that it was at that point that the “silent partner” in the bargaining was the person who was there to get the “cut” for political Party purposes.

HON. MR. FROST: Oh now, Mr. Chairman.

MR. MacDONALD: I have the floor for the moment, Mr. Chairman, surely I can make my point. It is marvellous how, when you touch a sore spot, the howls emerge.

HON. MR. FROST: That is a most improper suggestion.

MR. MacDONALD: “The heart and soul and spinal column of old Party funds comes from contractors,” and I quote Blair Fraser. And we have had no denial.

HON. MR. FROST: I will deny it right now.

MR. MacDONALD: You will?

HON. MR. FROST: Yes.

MR. MacDONALD: I will let the hon. Prime Minister have the floor for this.

HON. MR. FROST: Let the hon. member just sit down and listen.

MR. MacDONALD: The hon. Prime Minister did not ask for it, incidentally, he took it.

HON. MR. FROST: This is a good time to “have it out” with the hon. member.

MR. MacDONALD: Good.

HON. MR. FROST: The hon. member needs to get some of his political thinking right, and not only his political—but other thinking—right. May I say, Mr. Chairman, that the public life of this province and indeed of Canada this country of ours, is at an extremely high level, I ought to tell the hon. member that. If he thinks that, as a young man, coming into this Legislature, or into the public life of Canada, he has a great job in front of him to clean up the public life of Canada, then he is very badly mistaken, because there is no such need of that sort of thing at all.

In connection with the settlement of contracts, whether it be in highways contracts or in those of The Department of Public Works or The Department of Planning and Development, or in the Hydro projects, or anything of the sort, allow me to tell the hon. member for York South that I have been in government now for over 12 years and have, during a very large portion of that time, had to do with the purse-strings of this province. May I assure him that never in that time has any political consideration, any question of personal relationship, nor any friendship, entered into the awarding of any single, solitary contract. It has been done on its merits, and on a businesslike basis, with regard only to the best interests of the people of this province.

Having said that to the hon. member, I am going to tell him that no third party, no "silent partner," sits with me, because there are no "toll-gates", in this government nor in its dealings, nor have there been, to my recollection, in the last 12 years; certainly not since I became the leader of this government 7 years ago.

That is the situation, Mr. Chairman, and may I tell the hon. member that I can go before the people of this province anywhere, at any time, and in any place, and say that this government's business has never been conducted on the basis of any political "pay-off". There are no "toll-gates", there is no consideration and never has been any consideration in regard to settlements,

nor to the letting of any contract in return for any political or other contribution.

I cannot be more specific than that to the hon. member for York South.

MR. MacDONALD: Mr. Chairman, the hon. Prime Minister can be more specific.

HON. MR. FROST: All right.

MR. MacDONALD: I am not saying that the hon. Prime Minister sits there and receives it, but somebody in the Party, at some point along the line, is getting it, and the hon. Prime Minister can be specific to this extent: The hon. Prime Minister can open the books of the Conservative Party, and let us know from where the money comes. When he does that, then he will be specific, but until he does that, he is not being specific; he is evading the issue.

HON. MR. FROST: Mr. Chairman, may I say —

MR. MacDONALD: Let me finish this, Mr. Chairman. You have indicated that there are rules of this House and that hon. members will be given the benefit of them. The hon. Prime Minister can get very angry when one raises something about which he is not happy.

THE CHAIRMAN: Let the hon. member for York South keep to his subject.

MR. MacDONALD: I am, Mr. Chairman; I am on the subject.

THE CHAIRMAN: Order.

MR. MacDONALD: The other day the hon. member for Riverdale (Mr. Macaulay) rose in his place and quoted me out of context, after chastising me for quoting him out of context, and the irony of it is that he was quoting, not my criticism of how this highway scandal was handled, but that he had carelessly read *Hansard* and was quoting an editorial from a good Conservative newspaper, namely the *Hamilton Spectator*. That, Mr. Chairman, is the irony of the thing.

MR. R. MACAULEY (Riverdale): Mr. Chairman, I rise to a point of order.

MR. MacDONALD: That was the depth to which presumably I had sunk in criticizing the leaders of this province.

MR. MACAULAY: Mr. Chairman, on a point of order.

MR. MacDONALD: And what the hon. member read was a quote from a Conservative newspaper.

HON. MR. FROST: Mr. Chairman, there is a point of order.

THE CHAIRMAN: A point of privilege.

MR. T. D. THOMAS (Oshawa): Mr. Chairman, the hon. member from Riverdale is out of order, he is out of his place.

MR. MACAULAY: Mr. Chairman, a point of privilege takes precedence over everything.

MR. MacDONALD: I agree. I did not hear the point of privilege.

MR. MACAULAY: Now, Mr. Chairman, the point of privilege on which I rise is that the hon. member for York South has accused me directly, not by any innuendo, of misquoting, or in any event, of taking something out of context. The hon. member said that once before to me, privately. At that time I sent *Hansard* over to him, and pointed out that what I said was not only not in quotes, but that several pages back he had made reference to this newspaper in Hamilton, to which he has now referred, and I ask hon. members of the House to look at the page and the line from which I quoted, and I defy any hon. member to be able to tell me he is quoting from anything other than his own mind.

MR. MacDONALD: Mr. Chairman, the hon. member is simply talking rot.

THE CHAIRMAN: Order.

MR. MacDONALD: Just a moment now.

THE CHAIRMAN: Withdraw that.

MR. MacDONALD: The hon. member was quoting from a succession of—

THE CHAIRMAN: That is unparliamentary language. Withdraw it, please.

MR. MacDONALD: Mr. Chairman, I will withdraw the word, but I refer you to *Hansard*, when one time last year this hon. member rose —

THE CHAIRMAN: That is not this year.

MR. MacDONALD: And he commented on something I said as being “lousy”. Was that unparliamentary?

THE CHAIRMAN: That is unparliamentary, I will “go for that.”

MR. MacDONALD: But you were not here, Mr. Chairman? Very good. I accept the challenge of the hon. member for Riverdale to go back and look at the page in *Hansard*. Quotations in *Hansard* are not put in quotation marks, they are indented. The hon. member's reading of *Hansard* apparently has been so careless that he has not noticed that, and if he cares to read half a column further, he will see that at the end of the quotation the hon. Prime Minister said to me: “What was the date of the editorial?” And I quoted the date. That is specifically there, the hon. member is dreaming up a little red herring.

Let me get back now to the point I want to make, for here is the cancer that is gnawing at our public life, and I for one am not going to be taken aback by the hon. Prime Minister rising and delivering a fatherly talk to me, because I am presumably going out to “clean up public life”. Blair Fraser stated that here was a cancer which was gnawing at the public life of Canada.

AN HON. MEMBER: Who is Blair Fraser?

MR. MacDONALD: If you do not know who Blair Fraser is, you ought to.

HON. MR. FROST: Ask Mr. Fraser to come down and have a talk with me, and he will be satisfied that if there is any campaign to "clean up things" in Canada, it does not apply to Ontario.

MR. H. C. NIXON (Brant): Mr. Chairman, may I ask the hon. member for York South in what campaign did Blair Fraser take part and in what riding, that he would have any knowledge of it?

MR. MacDONALD: I am not surprised to see our Liberal hon. members lining up with the "Tories" on this occasion.

MR. CHAIRMAN: Order, order.

MR. MacDONALD: Because, as Blair Fraser stated:

The heart and soul and spinal column of the old Parties' funds comes from the contractors, and they contribute to both Parties. They contribute to the government, as much as they think it is necessary, and they also contribute to the other "old political Party" as a form of insurance.

THE CHAIRMAN: Order.

MR. MacDONALD: I did not plan to get off on this, I just wanted to ask a question, but the sensitivity of the government has gotten me off on a 5 or 10 minute address. The question I wanted to ask the hon. Prime Minister is this: are we to assume that this "horse-trading" proposition with regard to contracts has now ended under the new regime, and that contracts are let for a fixed price, and that the contractor is paid according to that fixed price, so that this procedure which lays itself open to a good deal of "shenanigans" has finally been ended? Are we to assume that is the case now?

HON. MR. FROST: I well remember, when I was sitting in Opposition, and another man was the Prime Minister of this province, there were some

suggestions of this sort made, and he termed them "slimy insinuations." Does the hon. member for Brant remember that incident many years ago?

MR. NIXON: "Inuendoes" or something like that.

HON. MR. FROST: I do not want to run afoul of the Chairman, so I will not use that expression, and I do not want to use such expressions as regards the hon. member for York South, but may I point out to him that when he states that there is a period of "horse-trading" in which a "silent partner" sits in, and so on, that is absolutely unjust and unfounded.

MR. MacDONALD: Let the hon. Prime Minister give us the evidence to prove it, not just a statement.

THE CHAIRMAN: Order.

HON. MR. FROST: I will give the hon. member all the evidence he wants. I sat here as Treasurer of this province for over 12 years, and I can assure the hon. member that I was very much interested and concerned in the way this province did business, and never has such a thing happened in the last 12 years. I will say further to him that I became a member of the Party in power in 1943, and in doing so followed another government which had been in power for 9 years before, and I never found a shadow of a suggestion that such a thing has taken place with that or any other government.

Of course, Parties must finance themselves. The Party of the hon. member does.

MR. MacDONALD: That is right.

HON. MR. FROST: The hon. member makes appeals for funds. All parties do.

MR. D. M. KERR (Dovercourt): Who bought your house for you?

MR. T. D. THOMAS (Oshawa): Mr. Chairman—

MR. MacDONALD: Mr. Chairman, just a moment. On a question of privilege.

THE CHAIRMAN: Order.

MR. MacDONALD: Just a minute, Mr. Chairman, I rise on a question of privilege. The hon. member for Dovercourt quips in here and says: "who bought your house?"

THE CHAIRMAN: The Chairman did not hear that, sir.

MR. MacDONALD: I would like an explanation of that, sir, because here is a clear suggestion somebody bought my house, and that suggestion has some politics in it.

THE CHAIRMAN: The Chairman did not hear any such remark.

MR. MacDONALD: Whether the Chairman heard it or not, it is likely in *Hansard*. I could hear it and 3 or 4 other people could.

MR. OLIVER: All the hon. member for York South has to say is that nobody bought it.

MR. MacDONALD: Well I bought it, that is the point. I know because I have a mortgage to remind me. What is this insinuation, Mr. Chairman?

HON. MR. FROST: I did not hear the remark, Mr. Chairman, but I assure the hon. member for York South that I would accept his word on that. I do not think he would be guilty of anything that is improper.

MR. MacDONALD: I would hope that at some time the Chairman will get an explanation from the hon. member over here.

HON. MR. FROST: May I say that I have known of no case, in my time and in my political life, where any money was given as *quid pro quo*, and I may say that I myself have emphasized this, as the hon. members sitting here in the Chamber know.

MR. MacDONALD: It will not be done at the hon. Prime Minister's level.

THE CHAIRMAN: Order.

HON. MR. FROST: Any contribution to the political organization of which I am the head, must be made in the proper way, and on a purely voluntary basis, without any consideration whatever.

MR. MacDONALD: Then why not make them public?

THE CHAIRMAN: Order.

HON. MR. FROST: I assure the hon. member that is the case.

MR. MacDONALD: That is the case?

THE CHAIRMAN: Order.

HON. MR. FROST: The Election Act provides for that, and the hon. member for York South can check the Act. The election expenses of every candidate are filed and sworn to.

MR. MacDONALD: Oh, go away. Mr. Chairman, before we leave this, I just want to draw your attention to the fact that I rose on a question of privilege because of an insinuation over here which was completely unparliamentary, and which for some reason or other you have chosen to ignore.

THE CHAIRMAN: The Chairman did not hear any such remark.

MR. MacDONALD: Mr. Chairman, whether you heard the remark or not, we all heard it and it must be in *Hansard* because it was clearly audible to everyone in this corner. This is an interesting interpretation of the rules of the House.

THE CHAIRMAN: I am sitting here with the Clerk and the Clerk-Assistant, and none of us heard any such remark. If the hon. member disputes my word, it is not recorded, it was not heard, as far as the Chair is concerned. And on top of that, any hon. member

who wants to interrupt the debate, must address the chair, or else they are not recorded.

MR. MacDONALD: That is right, and I hope that rule applies to everybody.

THE CHAIRMAN: It will.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Chairman, now that our "political purist" from York South has made his usual remarks this afternoon, I want to ask the hon. Prime Minister something relating to these contracts. And by the way, if the hon. member for York South sits in the House as long as some of the rest of us—or even half as long—he will learn that some of us here have paid out of our own pockets much more in election expenses, than he believes we have at the present time.

The hon. member of course is the only one who is "politically holy" in the House. If he wants to assume that unrealistic position, he is welcome to it as far as I am concerned. I can say that I have been in public life just about as long as any hon. member in this Chamber, with the exception of the hon. member for Brant, and never at any time have I been moved in any direction by any influence other than the good of the province of Ontario, and I think that holds true for us all. This idea of breaking into a debate with a "holier than thou" attitude on these questions is nauseating to many of us, and I do not mind saying so.

MR. MacDONALD: As is also the self-righteousness of other people.

THE CHAIRMAN: Order.

MR. OLIVER: All right, the hon. member can have his view—I have mine.

MR. MacDONALD: That is great.

MR. OLIVER: May I ask the hon. Prime Minister, in relation to these 4 contractors who still have claims out-

standing, have contracts been awarded to any of these 4?

HON. MR. FROST: The only ones who were refused were the ones against whom actions were brought. There were 3, I think, Standard Paving Company, Tomlinson and Bergman's. The rule I laid down in August, 1954, was that they would be ineligible to contract until their claims had been settled, and until such time as the matters had been adjudicated by the courts. In all cases there were pleas of guilty. In the case of Standard Paving, it was settled in the ordinary course, and they were restored to the position of being able to tender. I think the Tomlinson case has been settled, but as yet, the Treasury Board has not received the final releases from The Department of Highways, but when that is done, they will be placed in a position to tender.

The Bergman case as I understand it is still outstanding at the moment.

With the other cases which were not settled, there were no criminal charges laid against these people, and they proceeded to tender in the ordinary course, and they have received other work. However, there were one or perhaps a few cases of contracts which they had previously, which are not, at the present time, settled. But I understand they are now well on the way to settlement.

Hon. members will appreciate that settlement of these claims is not a simple matter, from this standpoint, that in those particular cases which were the basis of litigation and dispute, they were contracts for building through very, very difficult country. They involved the removal of rock and earth, the filling of muskeg, and the building of roads beyond the capacity of borrow pits which were in the areas, and things of that nature. These are matters on which there can be very just grounds for disagreement.

I can assure hon. members if they go into any of these cases, they will find that to be true. There are very real grounds for disagreement, and the assessing of these matters and the arriving

at amounts which are just and agreeable, to the parties concerned, is not a simple problem.

I would say that the officials of The Department of Highways with their advisory committee have done an immense job in getting these matters disposed of, and they are down to very small limits at the present time.

MR. H. C. NIXON (Brant): Mr. Chairman, may I ask the hon. Prime Minister a question in connection with the Wolfe case? My recollection was that there were other payments to that particular firm or to their creditors. The hon. Prime Minister now tells the House that they are out of business completely. Is that the case?

HON. MR. FROST: Well, they completed the work.

MR. NIXON: Does the government owe them or do they owe the government?

HON. MR. FROST: As a matter of fact, when the assessment comes through, and it is finally assessed by our committee and by our experts, I am sure that it will be found we are probably indebted to them. The difficulty with the Wolfe case is that Mr. Wolfe, Sr., who was the head of that concern, died in the midst of this business. He had one of the more difficult areas. The committee of this House looked over the status of the Wolfe contract, and it concerned very, very difficult country indeed. Mr. Wolfe died at that time, and the company was in financial difficulties.

I do not think the company has actually gone into bankruptcy, but I believe that the banks and others hold the securities of the firm. Young Mr. Wolfe, who succeeded his father, started up his own concern, and, as a matter of fact, I believe obtained a contract for the new road running to Michipicoten. As a matter of fact, that contract was left "in the air" due to the fact that the company never filed any claims whatever.

MR. MacDONALD: Mr. Chairman, may I ask the hon. Minister with regard to personnel, I figure under vote 601, would be a question of personnel. How many personnel are there in The Department of Highways who are permanent, temporary and casual?

HON. MR. ALLAN: Mr. Chairman, the number of permanent and temporary is 1,143; casual, other than day labourers, 5,572; and casual, day labourers, 3,260. We are steadily bringing a great number of these casual employees into our temporary staff, and they will finally be taken on the permanent staff. It may be wondered why there should be so many on the casual staff. One reason is that in the construction industry, because of the time it takes to process them through the civil service, some of them are taken in at certain salaries which are difficult to process, through the civil service. It takes some time and creates quite a problem. However, we are processing them now, and I think we are on the way to 1,500.

MR. MacDONALD: Mr. Chairman, can the hon. Minister give us a breakdown of the 1,143 as between "permanent" and "temporary"?

HON. MR. ALLAN: I would think they are almost all permanent, not entirely, but almost.

MR. OLIVER: Mr. Chairman, on vote 601, I wanted the hon. Minister to break down that \$150,000 for "publicity." Does that all go to one firm or what is the practice of the department in that connection?

HON. MR. ALLAN: Mr. Chairman, of the large items which make up the \$150,000 for "publicity," the largest is for road maps, which is an item of \$60,000; also county maps and the road bulletins, which hon. members will remember are sent out during the summer, and a great many of them go to the United States. The cost of those is \$50,000, so there is a total of \$110,000.

MR. OLIVER: What about billboards?

HON. MR. ALLAN: This has nothing to do with them, it is in the King's Highway branch. It has to do with highways. It has nothing to do with traffic. We will come to that later on in the Estimates. The hon. member is thinking of safety advertising?

MR. OLIVER: There are no billboards in that at all?

HON. MR. ALLAN: Nothing at all. These are the bulletins which are issued regarding the state of the roads, and the road maps.

MR. WHICHER: Mr. Chairman, I would like to ask the hon. Minister a question in regard to these casual labourers. What is the standard hourly rate, and is it the same all over the province?

HON. MR. ALLAN: Mr. Chairman, I think it would be very difficult, I would have to get a schedule of the various rates for various jobs and positions, especially having to do with patrols, such as grader operators, machine operators, day labourers and so on. As hon. members know, there are different rates for them. I will be very glad to show them to him some time.

MR. MacDONALD: Mr. Chairman, to continue with the subject, I have been informed by workers in the area, I believe it was on Highway 401, or road work in general around London, that contractors were paying as low as 85 cents an hour for casual labour. Has any effort been made to establish minimum wages, which will have to be maintained when a contract is let?

HON. MR. ALLAN: I do not think they are paying 85 cents an hour. 95 cents is about the lowest for casual labour.

MR. MacDONALD: Perhaps in the department, it is as low as 95 cents, but what about the labourers who are hired by contractors? Is there no effort on the part of the government to set a minimum level at which the contractors can hire labour?

HON. MR. ALLAN: Mr. Chairman, this is receiving very definite attention at the present time in co-operation with The Department of Labour, and we hope to come up, so far as labour is concerned, with a statement of the procedure which we hope is going to be satisfactory to everyone.

MR. MacDONALD: I will look forward to it.

MR. SPENCE: Mr. Chairman, on item 10, "Old Fort Henry"; I wonder if the hon. Minister could give us a statement on that?

HON. MR. ALLAN: Mr. Chairman, I hope that most of the hon. members have visited Old Fort Henry. I have a very high regard for the Fort. It was one of the projects which was started by the hon. Mr. McQuesten, when he was Minister of Highways. It is certainly a fine historic spot in this province. When Mr. McQuesten was Minister of Highways, he was able to prevail upon the federal government, during the depression period to contribute half the cost of the restoration of the Fort; That was done. However, once the Fort was restored, the federal government withdrew any further assistance, and it has been supported by our government, through The Department of Highways, since that time. It is an historic site, and is one of the most-visited spots in the whole of North America. The man who is now in charge of the Fort has developed the Fort Henry Guard to a high state of perfection. I do not want to get into a discussion as to whether that is because it is made up of students of Queen's University, but that is so, and they have, this year, been invited to attend the Royal Tournament in London, the first group which has ever been invited from Canada. I need not say that the Guard are very proud to be singled out to be invited. A great number of people visit the Fort during the summer, and I am sure if the hon. members visit it, they will all be proud that we have continued to support it.

MR. NIXON: Mr. Chairman, in regard to this casual labour, may I ask the hon. Minister about the labour which has worked on the maintenance gangs since there have been provincial highways. Have they always been casual? I have in mind, a foreman who has worked continuously as foreman on Highway No. 5 since it was a provincial highway, well over thirty years ago. He has now reached the age of 70, and I believe there is no provision whatever for superannuation or a retiring fund for him. He has never done anything else in all those years, except to be a road patrol foreman. Is that the case?

HON. MR. ALLAN: Mr. Chairman, it could be, I do not know whether it is, in that particular case or not. However, as I have mentioned to the hon. member for York South, we are taking a new look at this situation, and are bringing a great many more employees into the civil service.

MR. MacDONALD: There is a final point on this astounding figure of approximately 9,000 casual labourers of The Department of Highways, eight times more than permanent, almost half the total of the civil servants in the province. There are, roughly, 20,000 civil servants in the province, and here we have 9,000 casual. The question I want to raise is this, when we were discussing the position of the civil servants, under the Estimates of the Department of the hon. Provincial Secretary, a while ago, both he and the hon. Prime Minister emphasized that the turnover of the staff of civil servants was 5 per cent. It has been drawn to my attention by at least half a dozen people since—who are in a position to know—that they unwittingly seriously misrepresented the position by saying “5 per cent.”, because it ignores the very great number of casuals, of whom you have, in The Department of Highways alone, half as many as there are permanent civil servants. I do not know whether my information is absolutely accurate, but, as a matter of fact, I am told it is difficult to know what the turnover is in the casuals, and the figure

which was given to me by people who are very active in the Civil Service Association, was that the rate of turnover was as high as 23 per cent. If you have a turnover 23 per cent. in 9,000 or 10,000, it certainly alters the figure of 5 per cent. turnover in the Civil Service, and I think we should get this picture a little more clearly.

HON. MR. DUNBAR: The figure I gave of “5 per cent.” was correct for the permanent civil servants, including superannuation, deaths and persons leaving the civil service, and everything else.

HON. MR. FROST: The hon. member must remember that highways are constructed from the time the frost comes out of the ground in the spring, until the snow flies, or until a freeze-up occurs.

During that time there are university students working as surveyors, and many other things. Men who do only a few months work with trucks could not be anything else but “casuals”. You could not do it any other way.

MR. MacDONALD: Mr. Chairman, I agree that a sizable proportion would be in the casual group. What I am interested in is the highly puzzling procedure of people being “casual” for 15, 20 or 25 years. The hon. member for Brant has just mentioned a case—and it could be duplicated hundreds of times—of men who have, in effect, earned their living for a generation, working for The Department of Highways. They should have had a guaranteed annual wage, so they could get it all the year around, instead of being off for a period when they had to look elsewhere, but came back to The Department of Highways, forming a regular pool of labour, upon which The Department of Highways was able to draw, and upon which the Department could depend. It strikes me as very bad procedure to have people working for the department in that way for years, and still consider them as “casual labour,” so they are deprived of the various benefits which could come with a civil service position.

Vote 601 agreed to.

On vote 602:

MR. OLIVER: Mr. Chairman, when we were discussing the Highway Improvement Fund the other day, I recall the hon. Prime Minister saying that this was for capital expenditure, and that no payments were made out of that Fund for "ordinary expenditure."

Item No. 6 in this vote shows that the ordinary expenditure calls upon the Highway Reserve Account to the extent of \$20 million. What is the explanation for that? Does that mean that is taken out of what is presently in the Highway Reserve Account? Does it deplete it to that extent? If so, is it being used for ordinary expenditure and, if so, furthermore, is the Highway Reserve Account being used for both ordinary and capital?

HON. MR. ALLAN: Mr. Chairman, the expenditure is expenditure from revenue. There is \$20 million which is placed in the Highway Reserve Account to be spent upon capital. Have I made myself clear?

MR. OLIVER: Not too clear.

HON. MR. ALLAN: Mr. Chairman, these expenditures out of the ordinary account are not for the levelling of roads nor the digging of ditches. It is \$20 million which is taken out of revenue because of the desirability of paying our way for highway construction as much as possible.

MR. OLIVER: It is an ordinary expenditure?

HON. MR. ALLAN: It is ordinary money. It goes into the Highway Reserve Account and comes out in payment of capital expenditures.

HON. MR. FROST: That is right.

MR. OLIVER: This is not capital expenditure. The hon. Minister is "all wet"; this is the maintenance vote, not the construction vote. This is for the

maintenance of King's highways. In no sense is it capital expenditure.

HON. MR. ALLAN: It is taken out of the ordinary expenditure, as it is an expenditure. It is \$20 million out of the ordinary money. It is ordinary money, and it is placed in the Highway Reserve Account, and goes out of the Highway Reserve Account to pay for capital construction on the highways.

MR. OLIVER: But it is not there for capital construction. It says, "Maintenance of King's Highways and other roads". The construction of King's highways is entirely different.

HON. MR. ALLAN: It is \$20 million which is placed in the Highway Reserve Account, and all money taken out of the Highway Reserve Account is for construction. It is just that simple. Here we are with this tremendous need for roads, and, naturally, in need of a great deal of money with which to pay for them. If we were to borrow money each year, it would increase our debt greatly. It has always been our hope that the revenue from roads would go a long way towards paying for the total cost of roads, for maintenance and construction. This is an effort to accomplish that very thing. This is \$20 million of the revenue which comes from roads, which is placed in the ordinary expenditure account. It is taken out of that, and put into the Highway Reserve Account. It will be seen we took \$37 million out of that account, and if we could find staff to build more highways than are estimated for in the Budget, the money is in the Highway Reserve Account, so that it can be used to build roads, if it were possible to accomplish the mechanics of building some. The money is available.

MR. OLIVER: I must confess I cannot see that point yet. The hon. Prime Minister said this Highway Reserve Fund was capital account, and that moneys out of that Highway Reserve Fund would be used for capital account purposes.

HON. MR. FROST: That is right.

MR. OLIVER: This \$20 million is not a "capital account purpose". No other construction could be placed upon it.

HON. MR. FROST: If hon. members will look at the Budget, they will find that in ordinary account there is an estimate of \$88 million for "ordinary account". In other words, this money is ordinary revenue. This is an item which transfers \$20 million into the Highway Reserve Account.

Mr. Chairman, probably where this is misleading is that it is put under the heading of "Maintenance".

MR. OLIVER: That makes it a little misleading.

HON. MR. FROST: Mr. Chairman, I would say that if the word "Maintenance" was taken out, it would give a truer picture. What happens is that in the Budget, there is an Estimate of \$88 million, but of that \$88 million, \$20 million is debited to that account, and is transferred to the Highway Reserve Account, where it is used for capital purposes. It actually is a method of using current ordinary money for the payment of current capital indebtedness. It is by that method, and by adding to the sinking fund, that there are about \$60 million of capital works, paid for by current money.

MR. OLIVER: I know all that, and have heard that many times. However, on this page it is given as "ordinary expenditure", while over here on the other page it is "capital expenditure". The hon. Minister says this \$20 million is used for construction and capital purposes. It is not. It is nothing of the kind. It is used for maintenance of the King's highways, and not for construction at all.

HON. MR. FROST: No, it is transferred from maintenance, and debited there.

MR. OLIVER: I do not care where it is debited. This amount of money, the hon. Prime Minister says, is to be used for construction of roads. It is a capital amount, an amount to be used for capital purposes. It is not being used for that; it is being used in the item called "Maintenance of King's Highways". The construction of King's highways is on the other page.

HON. MR. FROST: It really should read there: "Transferred from Maintenance Account to Highway Reserve Account, \$20 million".

MR. MacDONALD: Mr. Chairman, I would like to make a constructive suggestion. I want to suggest to this government that they wipe out this highway account juggling. What is it doing at present? When we get to the end of the year, there is—dare I call it a "surplus"? The hon. member for Riverdale says there was a surplus, and some other hon. member says there was not. However, there is a surplus in reality, so they put some of that money into the Highway Reserve Account. I have been speaking to some accountants about this, and I am convinced this is a highly unorthodox procedure, that there should be funds in two accounts into which it can dip. When I raised this in the Budget Speech, the hon. Prime Minister said that I was "talking through my hat" or words to that effect. He said that it was always spent only on capital expenditure. Now, the hon. leader of the Opposition has pointed out that it is over here on the other page also, and the hon. Prime Minister and the hon. Provincial Treasurer have put their heads together, trying to figure out why in Heaven's name it is there.

HON. MR. PORTER: It is perfectly clear.

MR. MacDONALD: It may be clear to the hon. Provincial Treasurer, but it is not clear to other people. I suggest that, at the end of the year, if there are surpluses, those surpluses should be applied towards meeting the deficit, because apparently we are going to have

deficits, and if so, why go through this "huggermugger" procedure? They are taking money out of here, and putting it over there, into the Highway Reserve Account, some goes through maintenance, and then they shift it over into another fund. It is baffling to me, and it is baffling to the public, and it is about time the government got rid of it, and used an orthodox accounting procedure.

MR. OLIVER: Is it a fact that this money out of the Highway Reserve Account can, under this enlightened regime, be used, and is it being used, for both capital and ordinary purposes?

HON. MR. FROST: No; capital account only.

HON. MR. ALLAN: Mr. Chairman, perhaps I could explain it in this way. At the beginning of April, we had \$55 million —

MR. MacDONALD: That is the surplus.

HON. MR. ALLAN: —and after the Supplementary Estimates of last year, it was in the Highway Reserve Account. It is money which might have been paid on the debt, but could just as well have been paid on current capital. The result is the same. During the year we spent \$37 million of that Highway Reserve money for capital work on the highways, construction on the highways. This year, when the Supplementary Estimates came in, \$28,500,000 was placed in the Highway Reserve Account, which means we now have \$43,500,000 in the Highway Reserve account. In this Budget, another \$20 million is taken from the ordinary money, and placed in the Highway Reserve account, which gives us now a total of \$63,500,000 in the Highway Reserve Account. We budget for expenditures of \$37 million of that money, but, as I said before, if we are able to progress with more speed than we anticipate, and are able to complete more highway work than our planners have indicated we could, we will have the money available in that capital account to pay for the capital work.

MR. OLIVER: I am quite confused by this. The money is "ordinary" when you put it into the highway account? We agree to that extent.

HON. MR. FROST: Yes.

MR. OLIVER: Now, the hon. Minister says, just like the hon. Prime Minister, that you use it for capital construction. If you can do so, why not say so? Why put it into the ordinary account, and say it is going to be used for capital purposes?

HON. MR. FROST: There is the point. It is taken out.

MR. MacDONALD: "Huggermugger."

MR. NIXON: Mr. Chairman, I am amazed that the hon. member for Riverdale has not entered this debate. He said emphatically, in his very splendid address on the Budget, that there was not a dollar in the Highway Reserve Account, and could not be. He asked: "How could there be, when you went into debt \$7 million more than last year"?

HON. MR. FROST: Mr. Chairman, this is probably a more concise statement and I do not want to add to the confused state of mind in which the hon. members opposite are at present.

MR. OLIVER: I am confused? The hon. Prime Minister is confused.

MR. MacDONALD: Do not segregate the confused. It falls like a pall on the House.

HON. MR. FROST: We are circulating Supplementary Estimates. There will be another debit of \$28,500,000 into the same account, and if there is confusion now, I hope the hon. members opposite will not be more confused then.

Mr. Chairman, if we go back to the first of April, 1955, there was then \$52,700,000 in that account. As of the end of March this year, we will be adding from Supplementary Estimates,

\$28,500,000. I say to the hon. member for York South, that is the surplus on ordinary account, but it is not actually a true surplus, to the extent that it has been applied to the over-all picture. Therefore, on the 31st of March this year, by Supplementary Estimates, there will be voted \$28,500,000. From the Estimates this year, we are adding another \$20 million. That is the \$20 million of which the hon. leader of the Opposition was speaking. That will make a total being voted of \$20 million from ordinary account, and \$28,500,000 from the ordinary surplus of this year, ending 31st March. That will make a total of \$48,500,000 added to the amount in the account, as of April 1, 1956. That will make \$101,231,000. Against that, there will be the expenditures for the year ending March 31, 1956, that is this month and this year. Based upon 10 months actual, and 2 months forecast, there will be a debit of \$37 million against that. It is estimated that the expenditures for the ensuing year, as against that, will be also \$37 million, which will make a deduction of \$74 million. Therefore, as of March 31, 1957, that is, a year from now, we will have \$27,231,000 in the bank for payments on further capital outlays. That is the actual picture.

MR. T. D. THOMAS (Oshawa): Mr. Chairman, I would like to go back to the question of municipal subsidies. This afternoon, the hon. Prime Minister said that some municipal authorities had not spent all they had approved by by-laws.

HON. MR. FROST: I will give a good example right now. Metropolitan Toronto last year received \$18 million under the by-law, and I think they had spent \$14 million by the end of the year. Therefore, they had not spent their appropriation.

MR. THOMAS (Oshawa): Mr. Chairman, that is a fair statement to make, but there is a reason for that.

HON. MR. FROST: There is always a reason for everything.

MR. OLIVER: Sometimes I wonder.

MR. THOMAS (Oshawa): If the hon. members will listen to me for a moment, I will tell them why. In the city of Oshawa, by by-law, they approved an expenditure of \$550,000. It was up to The Department of Highways to approve the subsidy, and I think the subsidy worked out to about 2 mills on the assessment; in other words, the subsidy they received was about \$135,000 or \$150,000. I think the amount of the expenditures amounted to \$550,000. The reason they did not spend that money, according to the by-law, was because the subsidy was cut down by The Department of Highways. They were content to go ahead and spend that amount of money, but because they did not secure approval for the subsidy for the whole amount, they did not go ahead and spend the money.

HON. MR. ALLAN: Mr. Chairman, I think I should tell the House just how this is done. First of all, during the year, the municipal engineers bring in estimates of the expenditures the municipalities are likely to want to make. That is looked at by our municipal branch, and is gone over carefully, and the amount of money we are prepared to budget for is determined.

After that, the local municipality is advised how much maintenance expenditure we will subsidize, and also how much capital expenditure in ordinary account we will subsidize, so the municipality knows how much it can spend on maintenance, and how much it can spend on ordinary account for capital construction. They also know we are agreeable to entertaining a supplementary by-law for construction work on capital account.

As I mentioned before, we approved those, I think, entirely.

Here are the experiences last year: the total amount which was requested by the municipalities was \$98,173,659.59. We approved an expenditure of \$95,708,432, about \$2½ million less than was first requested.

The estimated total expenditures of \$95-odd million, was approved. The estimated total expenditures the municipalities were able to spend was \$82 million, that is, they had an under-expenditure, from their own planning and estimates, of \$13,708,432.

Out of the 752 returns we have processed up to date, 616 did not spend in excess of the approved limit, and of those 616, the under-expenditures amounted to \$3,781,174.53.

MR. WHICHER: Mr. Chairman, that expenditure would not be on the original by-law.

HON. MR. ALLAN: It would be the by-law we approved. There is only one by-law.

MR. THOMAS (Oshawa): That is it.

MR. WHICHER: There is a supplementary by-law, also.

HON. MR. ALLAN: That is right.

MR. WHICHER: I suggest there are very few municipalities which do not spend all of the original by-laws.

MR. GROSSMAN: May I clear that up, Mr. Chairman? I was Chairman of the Roads Committee last year, and was on the committee in 1954, and we just could not get the engineering staff to process the amount we had planned, and for which we had a subsidy agreed upon. We could not get the work processed in either of those two years. It had nothing to do with the provincial department at all. They had agreed on a certain figure, but we could not get the work done, because there were not the required engineers available.

MR. WHICHER: Mr. Chairman, there are many roads not in Metropolitan Toronto, and in the rural areas there is no trouble at all securing the engineering work, and I am positive, in a majority of cases, the original amount of the by-law is used up.

HON. MR. ALLAN: The amount of the original by-law for capital expenditure is not of great importance to the municipalities, because if they do not have sufficient money under the original by-law, they are allowed to pass a supplementary by-law.

May I say, Mr. Chairman, this is a progressive and solid programme, and one to which the municipalities have agreed, and we feel it will do great things for them.

I visited every Road Committee in the province last year, and I found in some counties, they were spending all their money on maintenance, while others were making progress by building good roads, and spending their money on capital.

I looked at some of the by-laws which were being prepared for this year, and I noticed one county, where the expenditure was 76.4 per cent. for capital expenditure; another was 71.4 per cent. while down the line we have them as low as 20 per cent. We are making every effort for the good of these municipalities, to encourage them to build something which will really last. This is a splendid programme for the municipalities.

MR. MacDONALD: I have two brief matters to mention, before I leave.

Firstly, I would like to associate myself with the hon. Minister of Highways in his commendation of the job done on the roads, particularly in northern Ontario, in the winter time. Last winter, I was in northern Ontario, and it was one of the most astounding and spectacular things to see the way the roads were cleared. I think the hon. members of the House who have not had the opportunity of seeing that, should try, in the near future, to do so. They could see how a storm which would tie up the city of Toronto, interrupting traffic, and blocking the roads solidly, can be coped with in the north country with relative ease.

As a matter of fact, I was in the city of Port Arthur, and was to attend a meeting in Nipigon, when a storm occurred, and there was 6 or 8 or 10 inches

of snow fell, but we were enabled to start for Nipigon, and about half-way out, we met the snowploughs coming from Nipigon, and in spite of the snow which was dumped down in that area, in a few hours, the roads were a great deal better than the roads in southern Ontario, as here they seem to be unable to cope with such a situation.

Another thing, Mr. Chairman, I noticed in northern Ontario was that there were a great number of signs, all over the place, which read "frost heaves". I did not know whether it had reference to road maintenance, or was a political matter, but after June 9th, I finally came to the conclusion that it was political.

THE CHAIRMAN: Would the hon. member conclude his remarks after recess? It is now 6 o'clock.

MR. MacDONALD: May I ask one question before we rise? I may be a bit late, as I have an appointment for seven-thirty. I have a telegram, in which there is mention made of a complaint in the Blind River area. It reads:

Enraged populace decry movement headquarters department highways Blind River to S S Marie Ontario office equipment and files being moved into new location Saturday March 17th Stop This move will seriously affect many citizens of this town and immediate vicinity meaning a financial pay roll loss of many thousands Stop At a time when the government seeks new fields of taxation spending the public's money unnecessarily is something you should strongly oppose and

because the move is considered unwise at this time due to extremely bad road conditions and requirements suggest you investigate why the move is being planned.

I know nothing about this, Mr. Chairman. I wonder if the hon. Minister would tell the House exactly the reason for the move which apparently took place on St. Patrick's Day, removing the regional headquarters of The Department of Highways from Blind River to Sault Ste. Marie.

HON. MR. ALLAN: The move affected a very small number of the personnel in Blind River. Because of certain housing difficulties, and for the reason that it is anticipated we will have a better administrative set-up in the city of Sault Ste. Marie than in the town of Blind River, we decided to move part of the administrative staff from Blind River to Sault Ste. Marie.

MR. OLIVER: Would the hon. Prime Minister tell the House what we are to do after supper?

HON. MR. FROST: As soon as these Estimates are completed, we propose to deal with the Firemen's Bill, and then continue with the debate on the Budget.

MR. MacDONALD: Is that on Bill No. 99?

HON. MR. FROST: Yes.

THE CHAIRMAN: It being 6 of the clock, I now leave the Chair.

And it being 6 of the clock p.m., the House took recess.



Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Monday, March 19, 1956

Evening Session

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

MONDAY, MARCH 19, 1956

8 O'CLOCK, P.M.

The House resumed.

ESTIMATES, THE DEPARTMENT OF HIGHWAYS (continued)

On vote 603:

MR. T. D. THOMAS (Oshawa): Mr. Chairman, one of the recommendations of the highway safety committee was that all persons under 21 years of age should be compelled to file proof of financial responsibility. I think that was one of the recommendations of the highway safety committee. Has the hon. Minister given any consideration to that recommendation?

HON. J. N. ALLAN (Minister of Highways): Mr. Chairman, I have. Naturally, one of the considerations is to be sure that such insurance would be available. I had hoped to have some information from the insurance companies at the time we were sitting, and I must admit I have not accomplished what I intended to do in that direction. But we have not forgotten it. We have it in mind.

MR. THOMAS (Oshawa): Another question, regarding the system of examiners: I think the hon. Minister will remember quite well the deliberations and discussions of the committee. The members were very

critical of the system of examination and the examiners.

I wonder if the hon. Minister has given any consideration to the question of appointing them permanently, instead of in the haphazard way they are appointed at the present time?

HON. MR. ALLAN: Mr. Chairman, as you know, we have begun a new system of examinations at our office on Spadina Ave. It is our intention to study the operation there very carefully, and to proceed throughout the province based on that study. Our policy, so far as the remainder of the province is concerned, will be determined largely by our experience at this centre. We are very encouraged with the operation there, and we feel we are doing a fine job. We do intend to extend it throughout the province.

MR. F. R. OLIVER (Leader of the Opposition): I want to ask the hon. Minister in regard to the practice of trucks going into the province of Quebec; is a fact that the province of Quebec charges an extra licence fee for our trucks going into that province?

HON. MR. ALLAN: May I ask if the hon. leader of the Opposition has in mind individual trucks, or public transport vehicles? What I mean by that is, it might be the hon. leader of the Opposition refers to a farmer or individual owning a truck and going into Montreal.

MR. OLIVER: Perhaps the hon. Minister will tell me the position in relation to both categories. We would like to know about both, as to individual and others.

HON. MR. ALLAN: A person like yourself, Mr. Chairman, is permitted to go into the province of Quebec, but the ones who operate for hire and require PCV licences must obtain licences in the province of Quebec.

MR. OLIVER: Supposing I owned my own truck and wanted to take a load of household furniture into Quebec, can I get into the province without securing an additional licence?

HON. MR. ALLAN: Yes.

MR. OLIVER: But all others, and that includes most of the trucks, cannot get into that province without paying the full licence fee?

HON. MR. ALLAN: That is right.

MR. OLIVER: What would it amount to—\$45?

HON. MR. ALLAN: It would depend upon the weight of the vehicle. It is based on the gross weight of the vehicle. It would be more than that.

MR. OLIVER: It is the full fee?

HON. MR. ALLAN: Yes, that is right.

MR. OLIVER: Having received that admission from the hon. Minister, is there any corresponding restriction on trucks coming from Quebec into Ontario? Is it the same both ways?

HON. MR. ALLAN: Yes, just the same.

MR. OLIVER: We charge a full licence fee on trucks from Quebec coming into Ontario?

HON. MR. ALLAN: That is right.

MR. A. H. COWLING (High Park): On vote 603, there was a suggestion I wanted to make to the hon. Minister, in connection with the new licences each year.

I know we have all had comments about it. For example, the 1956 licences are to be purchased in January, and some time in January, there is a notice in the paper the date is being extended to February. At the end of February, there is a notice to the effect that the date will be further extended to sometime in March. Many of my friends have mentioned this to me, Mr. Chairman, and these, of course, are the people who are in the habit of getting their licences in January, when the date is first set. I know The Department of Highways, and other departments as well, are interested in additional revenue, and I wonder if we could consider the idea of a penalty on those people who do not buy their licences in January.

In other words, if you pay \$10 in January, you would have to pay \$11 in February, and in March, instead of \$11, you would pay \$12.

I would not want this to affect any of our rural constituents, because I know in a great many cases their cars are laid up during some of the winter months, but I think I would be safe in speaking about Metropolitan Toronto, Windsor, Hamilton, Oshawa or any of the large urban areas.

I cannot, for the life of me, see why it is necessary to extend the date for purchasing licences. It has been estimated that in January, maybe 40 or 50 per cent. of the people buy their licence plates, and the other 50 per cent. stagger along, and hope there will be an announcement from the hon. Minister of Highways extending the limit. When you buy a licence to drive your automobile, it is a privilege, and I think if we say they are due in January of any year, the people driving cars should buy the plates in that month. I question the wisdom of granting extensions. That occurs every year.

I think if a penalty of \$1 or some nominal charge was imposed, Mr. Chairman, it would be some encouragement to those people who buy their licence plates in time. There might be an explanation for it, but I think it is a good suggestion and one we should consider.

HON. MR. ALLAN: Mr. Chairman, in answer to the hon. member for High Park, I think that is the observation most persons would make, but I would hesitate to say that after watching the issuing of these licences for a year, under the direction of our registrar of motor vehicles — and it is quite a thing in this province when he is the only registrar of motor vehicles this province has ever had, and has had the experience down through the years. Although the first thought might be that it would be advisable to have a definite date, the fact of the matter is that the present system which we are using works. It is a very satisfactory way of issuing licences.

Naturally, individuals or companies are not anxious to buy their licences until after January 1. We found that in January, when the date was announced, we had a busy time for a few days, and towards the end of the month, we issued a very great many licences. When the date was extended, it dropped off, and toward the end of February we again issued a great many more licences. Today, after two extensions, they were standing in line in the hall in the buildings, reading books, they had to wait so long to secure their licences.

If we were to say each year that in 30 days everyone must have his licence, in the first place, we could not issue them. 1.6 million-odd licences are a great many licences, and require a great deal of mechanical effort in the issuing of them. We will have them all issued by now, which is after the middle of March.

There has been no great difficulty or hold-up, although I do find that some persons have to wait occasionally if they go at a time when most people are trying to secure their licences; but, generally, I want to say I feel the present method of issuing these licences is an excellent way of doing it, and if hon. members could see them being issued once, and watch the persons securing their licences, they would agree with me our present system is a very satisfactory one.

MR. R. MACAULAY (Riverdale): This afternoon the hon. member for York South (Mr. MacDonald) made some reference to the fact I had misquoted him. Apparently I misquoted — if I did misquote — just in the context of one small paragraph.

I spent one whole hour last week delivering a speech and said we had no surplus in this province, but rather a gross and a net deficit. The hon. member has said this afternoon I had said we had a surplus, and some other hon. member said we had a deficit, so I suggested the hon. member remember, when he is handing out clichés as fast as he does here, that he himself is not perfect.

With reference to this question, it is not in this particular item, but the hon. member for Brant (Mr. Nixon) made some reference to the fact I said there was no money in the highway fund. I know he was “joshing” me, and he agreed, and feels, in fact, it is nothing more than an accounting fund, and, in fact, there is nothing in the fund.

The question, about which I have arisen to speak to the hon. Minister, is item No. 4 in vote 603, the “highway safety publicity” item. If the hon. Minister will recall, Mr. Chairman, this last summer I received — as I think did every other hon. member — a letter from him stating that he had just inserted in all the newspapers an announcement with reference to the highway safety drive.

I wrote back and said: “In how many of the foreign language presses has it appeared?”

If my recollection serves me correctly, he said, “None.” I think that is a very great mistake indeed, because I think the foreign language press serves this problem in a tremendous way. I would like to ask him whether his policy has changed in any way, and whether we can hope there will be some additional portion of the money, allotted to highway safety publicity, given to the press which is known generally as the “foreign language newspapers of Ontario.”

HON. MR. ALLAN: Mr. Chairman, in our department we welcome good suggestions, and take account of them. We did take account of this suggestion of the hon. member and we have made arrangements, and the details are being worked out now in connection with the press of which the hon. member speaks. The highway safety publicity will be in the papers which are published in foreign languages as well as in English.

MR. S. J. HUNT (Renfrew North): I would like to disagree with the hon. member for High Park about imposing a penalty for late purchases of licences. I would like to see some consideration given, especially in the smaller centres in Ontario, where issuers would be allowed to sell licences starting on December 1 or December 15.

I have been approached by several issuers and requested to find out if the registrar of motor vehicles would give consideration to that suggestion. The supply of plates and markers is sent out, I believe, about the end of November, or very early in December, when our issuers have little or nothing to do. They have to keep their offices open for certain hours of the day, anyway, when there is very little to do, and they feel they could get a lot of the rush over.

I feel quite sure that a great many of our drivers would avail themselves of this opportunity by going in sometime during December, perhaps during the holiday season, or before it, and purchasing their licences, if they were available. I would like to ask the hon. Minister what objection, if any, there might be to allowing the issuers to start selling 2 or 3 weeks earlier.

HON. MR. ALLAN: Mr. Chairman, I believe someone mentioned to me last year that he thought perhaps persons might give motor licences for Christmas presents. I do not know if that is what the hon. member for Renfrew North has in mind, but it is quite possible that such a plan might be considered. There must be a limit to the early issuing of plates, because naturally a licence issued, especially in the early

part of December, would be good not only to the end of February of the following year, but of the year following that. However, we will certainly give it thought.

MR. D. MacDONALD (York South): I have two questions I would like to ask in regard to the highway safety campaign.

One is following up the question of publicity just raised by the hon. member for Riverdale. I was most impressed by this most magnificent spread in the *Globe and Mail* this morning on safety, which reminded me of the spread which the Conservative Party had at the end of the election campaign. However, the thing which interested me was in the front page story which was carried in the *Globe and Mail* on this campaign, which stated that:

This is the joint effort of some safety-conscious industrialists and business men in Ontario, joining with the provincial government in sponsoring a series of public service advertisements in the *Globe and Mail*.

I have no objection to the *Globe and Mail* getting advertising, but is this government slipping politically to the point that it is advertising a campaign in only one newspaper?

HON. L. M. FROST (Prime Minister): We did not pay for that.

MR. MacDONALD: Then the story is not accurate? Or this is the government's part and they are going to do something else?

HON. MR. FROST: No, no.

HON. MR. ALLAN: We will assist them with the material that goes into the advertisements.

MR. MacDONALD: You mean the government supplies the copy, and they supply the money to pay for the advertisement?

HON. MR. FROST: No, as a matter of fact, they asked for the letters which are printed there.

MR. MacDONALD: You supplied the letters, then?

HON. MR. FROST: They are doing it as a matter of public service for the province of Ontario. That advertisement is not costing the taxpayers anything.

MR. MacDONALD: Well, is the hon. Prime Minister sure?

HON. MR. FROST: Sure.

MR. MacDONALD: I see wonderment on the faces of front benchers, at this not costing the taxpayers anything.

HON. MR. DUNBAR: No suspicion here.

MR. MacDONALD: That is fine. I assume, from what has been said, that the government is supplying the copy for those advertisements, and the business men are supplying the money to pay for them?

MR. FULLERTON: On a point of order, Mr. Chairman.

MR. MacDONALD: I have another question, Mr. Chairman. I just wondered whether there was a supplementary answer coming, it seemed to be just germinating.

My other question is, as a general proposition, I think this highway safety campaign has been exceedingly commendable, but there have been one or two, perhaps "kite flying" efforts, with regard to suggestions during the early stages.

For example, in the early stages, there was some suggestion made — and I believe the hon. Attorney-General (Mr. Roberts) himself mentioned it — that we might organize "highway vigilantes" who would report on each other. Has there been any effort at all to do that, or was that simply a "kite-flying" effort, and someone "pulled the string," and the kite disappeared right away?

HON. MR. ALLAN: I know nothing of it.

MR. MacDONALD: If this is in the Attorney-General's Department rather than in that of the hon. Minister of Highways, I just want to add very briefly that this campaign is commendable, but I think if this organized "snooping"—as it has been described by an hon. member to my right, and accurately so—becomes a part of the campaign, it will be a serious blotch on a generally good campaign. I think we can enforce highway safety without indulging in a practice which was part and parcel of life in Nazi Germany, where citizens were organized to report on their neighbours, if they were not doing what the powers-that-be thought should be done. I do not think that is a very constructive approach.

I see no signs of such a thing, quite frankly, but I just wondered if this was being planned and developed behind the scene.

HON. MR. ALLAN: Not by us.

MR. G. C. WARDROPE (Port Arthur): Mr. Chairman, might I comment on that?

MR. MacDONALD: Apparently it is being done in Port Arthur.

MR. WARDROPE: This was set up by city council in conjunction with the city police. I think they call them "T" men, who report infractions of the law to the police. It does not mean that the people are prosecuted, but they are brought in and told that such-and-such had been reported about them, and in future to be careful. I do not think it is "snooping" at all.

However, there is one other thing I would like to ask the hon. Minister of Highways, and that concerns the payment of licence issuers. As I understand it, they all work on commission. In our city and district, there are about 15,000 vehicles or more, and an order is issued that everybody must have their new licence, starting January 1, by January 31, which is 31 days' grace. To have 15,000 people crowd in the office and be served in one month is impossible, and

the issuer has to take on extra help, and pay for it himself. Also, he has to pay his own rental.

I went into this subject in January because I had so many complaints about it, and I found that the issuer's total earnings for the year were about \$5,500. That did not give him much leeway to pay for extra help, the rental of his place, and so on. If he had taken on much extra help, or the help necessary to issue all licences in one month, he would have had practically nothing for his year's work himself.

Getting on toward the end of January, there was an extension of the time for one month, during which licences could be purchased, and that was carried on. It was not announced to the public, however, in time to allay their fears that they might be arrested if they had not obtained their licence by the end of the month. I was wondering, if that situation was going to continue, or if some different method of paying the licence issuer could not be found, rather than a commission on each licence plate issued, because the amount he can make does not allow him to hire sufficient help to satisfy our public in the time designated for them to get licences. I think it could be corrected quite easily, by paying the issuer to put on sufficient help, but I would like to ask the hon. Minister what could be done in the future to alleviate that situation which causes such a great deal of anxiety to our people.

HON. MR. ALLAN: Mr. Chairman, may I reply to the hon. member for Port Arthur by saying this is rather contradictory to the other statements which have been made, that, because of our extensions, no one buys their licences until March. I think hon. members will find this present system spreads the buying fairly well, and I cannot understand how in this particular instance—if that is the correct amount of revenue coming to that office—why he would need a great deal of extra help. We have a great many applications from persons who want to issue licences, and we have had very few complaints about the amount of compensation that is paid.

MR. H. C. NIXON (Brant): Mr. Chairman, before we leave this particular vote, like most other hon. members, I am sure, who help to make the laws, I always like to observe them as far as is possible or convenient. I was rather surprised, therefore, to learn this year, that I have been breaking the law every year for a good many years back.

It has been my practice, when we come down here in the early days of the session, to obtain my licence plates, throw them in the back of the car, and drive around Toronto for 2 or 3 weeks, before I finally find it convenient, when I am home and have my overalls on, and a hacksaw available—because you cannot cut the old plates off, with all the salt on them, without a hacksaw—and of course we have to turn in our old driver's permit when the new one is obtained, and I find now that there is some arbitrary period during which one may legally carry the new plates around inside the car, with the new permit in your pocket, beyond which you are breaking the law if you have not the plates on the car.

What is the exact situation?

HON. MR. FROST: I did the same thing myself.

HON. MR. ALLAN: Mr. Chairman, I do not think that situation was very prevalent throughout the province. I am sure also that if it became prevalent at all, we would change the legislation in such a way that it would not be an offence, because one of the things which would give me more grief than anything else, would be to feel that the hon. member for Brant was breaking the law.

MR. NIXON: It would give me even more grief, if I were picked up doing it.

HON. MR. FROST: The hon. member for Brant is quite right about that. I did not know that was the law, and I have done the same thing myself, and have had the plates perhaps for 2, 3 or 4 weeks, thinking it was alright to carry them because of the extensions. As a matter of fact, it is one of those things which arise in administrative law. The situation has been going on, I suppose,

for 25 years, and was not noticed until some magistrate picked up the technicality.

The difficulty in amending the Act is to amend it without defeating the actual purpose of the provision. It was decided to remit the fine, in the case in question.

HON. MR. ALLAN: If it does not happen for another 25 years, we will be alright.

HON. MR. FROST: We will watch that situation. We have asked our police officers not to enforce that provision during the 3 months' period, because it is altogether unreasonable.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Chairman, before the vote is passed, I just want to ask one question relating to what the hon. member for York South said about "snoopers."

I have here a report from the *Toronto Star*, in which the hon. Attorney-General asks the public whenever they spot breaches of the road traffic regulations to take the licence numbers and to report such breaches to the police.

That is the report which appeared in the paper. I wish to know, in regard to this question, what the government's policy is. Does it continue to be government policy? Is that urging still being sent out over the radio and through the newspapers?

HON. MR. FROST: Mr. Chairman, I do not know that there is any objection to that. As a matter of fact, I think the hon. Attorney-General was underlining the great problem of highway safety, which is the business of everybody. Where there are more than 1,000 people being killed on the highways every year, and where there is untold property damage, it is the business of every citizen to take an interest in it and to report violations, particularly flagrant ones.

If that is not done, there is not the sentiment of public opinion behind the enforcement of the law. It is very definitely public policy to ask the people to take an interest in those things. I do

not think it is fair to brand people who do that as "snoopers." It is their business. This is a highly important matter, involving the lives of more than 1,000 people who perish in this province every year because of traffic conditions.

Mr. Chairman, I have often thought if one could create, on the 1½ million drivers who have licences, an awareness of the fact that an automobile is a dangerous vehicle, capable of causing very great damage, and that extraordinary care is needed, we could then abolish The Highway Traffic Act, so far as many of its rules and regulations are concerned.

The hon. Attorney-General was simply underlining that point. We should not say that "this business is somebody else's business"; it is the business of everybody, because one never knows the time nor the circumstances under which one, or a member of one's family, may be injured. It is the business of 5¼ million people in the province, and that is what the hon. Attorney-General was underlining.

Mr. Chairman, I think it would be a great mistake to say to our people now, this is a "spotter business," or "snooper business." I do not think we should so consider it. I think the hon. Attorney-General was quite right in asking people to take a greater interest in the enforcement of the law, and in the observance of the rules and regulations of the road. That will ensure the creation of a sentiment which will mean that those who are inclined to be reckless, or to disregard the regulations, will feel they should not do so, as then they have not public opinion behind them.

MR. OLIVER: Mr. Chairman, I want to ask a supplementary question. I agree that what the hon. Prime Minister has said has merit, and we are all seeking to attain the same objective. However, let me follow the mechanics of the situation a little further. The hon. Attorney-General calls upon the people of Ontario to report these reckless acts on the part of motorists. What happens then? If a citizen writes in to the police

and says that on such-and-such a day he saw such-and-such a thing happen, which was not the right thing, how is that followed up? What happens after that? The citizen writes to the police, and says this thing which is contrary to the law has taken place. Where do we go from there? I would like to learn how that position is followed up.

HON. MR. FROST: Supposing it is referred to a police officer, the police officer may go to the house of Mr. Brown and say: "On a certain day, this happened, and we are advised that you did so-and-so; please do not do that again."

I must admit that I think we have to be very careful about laying a great series of charges against people. I think our police officers probably would be better advised to warn people, to start with, that they should not do such a thing. In that way we will create an awareness on the part of the people.

MR. D. MacDONALD (York South): Mr. Chairman, may I carry on from where the hon. leader of the Opposition left off? "Mr. Brown" has a very automatic reaction and says, "What so-and-so reported me to the police?" Rightly or wrongly, someone whom he is having a feud with down the road—over a line fence or something—gets the blame; "Mr. Brown" comes to the conclusion it was that man; so the following week "Mr. Brown" reports him.

Since the hon. Prime Minister has underlined the hon. Attorney-General, I might underline the hon. leader of the Opposition. I am not minimizing one iota either the nature nor the magnitude of the problem, and if I were convinced this procedure would save even one of the 1,000 lives, I would be in favour of it. However, I am not persuaded it would do that. I think it will create injustices and I think we should see, if we follow the mechanics of it, just where we are likely to emerge.

HON. MR. FROST: Mr. Chairman, I would like to say to the hon. member for York South, and to the hon. leader

of the Opposition, that this business is big enough, and important enough, so that some chances have to be taken. It would be far better to let the man down the road have an argument with his neighbour about the line fence, if, by that means it would save more people becoming involved in accidents.

This is a tough proposition, and one of the most difficult and most important we have to face.

In regard to the matter of these advertisements, I suggest to the hon. member that he read the article through carefully. Then he will see that at the end it refers to the fact that the advertisement is being sponsored by the advertisers who are listed, and that they are doing it as a public service. The only connection the government has with this campaign is by assisting in gathering the material. The advertisers are paying all of the costs, and the provincial government and the people are paying nothing. This is an effort on the part of one newspaper. There are other papers which are doing something similar. They are doing it without charge as a public service, and as part of this same movement to create an awareness on the part of our people. I am sure we are very grateful to them, as the people of our province must be for doing it.

This question is one which we cannot underrate in this province. It is not a problem which is peculiar to us in Ontario alone. The President of the United States has brought this matter to the attention of his people, the Rt. hon. Prime Minister of Canada has spoken to the people of all provinces in connection with the terrific toll of deaths, property damage, and injuries to people, which result from bad driving habits.

A year ago last October, we had a very dreadful catastrophe in this portion of Ontario, from the hurricane, when there was very serious loss of life. However, when it is considered that we are having the deaths from that hurricane multiplied 10, probably 15 times, in this province every year, from

the operation of motor cars, in loss of life, injury and property damage, we can see the magnitude of this problem. It is equivalent every year in this province, to probably a dozen "Hurricane Hazels" or more, resulting from the operation of motor vehicles.

MR. G. E. JACKSON (London South): Mr. Chairman, may I go back to the matter of issuing of licences in my riding? It is a very slow business at present and I am sure it is the same in other places. May I ask the hon. Minister a question on that point? What recourse have people in order to secure their licences, other than sending in for them by mail? I know that is one of the things they can do. Has The Department of Highways considered any advertising in that respect? When I was passing the licence bureau today in my home town, there was a line-up for at least a block, and it seemed to me that at least half of those people did not know what other recourse they had.

HON. MR. ALLAN: I suspect that very many people do not make use of the possibility of mailing their cheques to our headquarters here, for the licence, whereupon the licence will be mailed promptly back to them. In regard to planning of some changes in the issuing of licences, it is possible that in some of the cities we will be able to provide facilities for the issuing of licences, and especially for examinations for drivers' licences.

MR. G. INNES (Oxford): Mr. Chairman, I have a clipping here and would like to enquire from the hon. Minister whether he has anything to say about it. This is in regard to fines for overloading vehicles. There was one man who had overloaded a vehicle by 13 tons and he was fined \$52.50. There was a farmer who had overloaded another vehicle by 2 tons and he was fined \$42.50.

It seems to me that, across the province, there is a wide variation in the

fines for overloading. It seems to be the case that very often a large truck is overloaded by 13 to 20 tons, and the driver would rather pay the fine and still be money ahead in getting from Detroit to Montreal. He could take the chance that he would not be caught, and make still more money. Would the hon. Minister have any comments on that?

HON. MR. ALLAN: The fine imposed depends entirely upon the judgment of the magistrate. There are limits within which the fines can be imposed. If the same truck with the same truck is fined more than once, I think he runs into other difficulties, which do not encourage him to continue that offence.

MR. INNES: Is there not a maximum fine?

HON. MR. ALLAN: There is a maximum and a minimum. I do not have The Highway Traffic Act before me, but I can get the information for the hon. member.

MR. INNES: It seems a very great discrepancy that one man should be fined \$42.50 for overloading a truck 2 tons, going only from Chatham to Brantford, while this other man, going from Detroit to Montreal, is fined only \$52.50 for being overloaded 13 tons.

HON. MR. DUNBAR: That is just where the hon. member comes in and picks us up. I often had to put my hand in my pocket and pay it.

MR. T. PRYDE (Huron): Mr. Chairman, a few minutes ago the hon. Minister referred to the fees paid to licence issuers. He said he did not have many complaints. Doubtless he did not, but I do not think all the issuers of licences are satisfied with the fees paid. In my own judgment, the fees are very small. I had occasion to go to the issuer with a party, a short time ago, to have a car transferred, and after all the paper work involved, which took 15 minutes, the issuer received 15 cents. That was

far too small a return. Some consideration should be given to them, and although the hon. Minister may not have complaints, I would say that everyone is not satisfied.

MR. T. D. THOMAS (Oshawa): What commission do the issuers get?

HON. MR. ALLAN: They get 25 cents for a vehicle licence, and 10 cents for a driver's licence.

MR. J. AULD (Leeds): Mr. Chairman, could the hon. Minister tell the House whether or not any further weigh scales are being put along the highway? I understand, from speaking to the police, that is a good operation and that it has a salutary effect on speeding. I wonder, as the highways are being extended, whether any further weigh scales are to be put in?

HON. MR. ALLAN: Mr. Chairman, we are increasing the number of scales, and also using quite a few portable scales.

MR. JOHN ROOT (Wellington-Dufferin): Mr. Chairman, there was a suggestion made this afternoon that a person could mail in an application for a new licence. I have been asked at different times what would be the applicant's position, if the police picked him up for driving without a licence, when it was in the mail?

HON. MR. ALLAN: That is the first difficulty we have experienced in 25 years, and if it comes that close again, it will be another 25 years before it occurs again.

HON. MR. FROST: We will let him off, if that happens.

MR. H. C. NIXON (Brant): Mr. Chairman, I would like to have an explanation from the hon. Prime Minister and the hon. Minister of Highways—and I am sorry the hon. Provincial Treasurer (Mr. Porter) is not in his place—about the highway reserve fund, which I see here is \$37 million.

HON. MR. FROST: I thought the hon. member for Brant understood all about that this afternoon.

MR. NIXON: Mr. Chairman, this is in another category. This is in capital payments.

There is another question I would like to ask the hon. Minister. He explained in great detail about the municipalities and the capital constructions, on which the department pays a subsidy of 50 per cent., and that he approves of those. May I ask, Mr. Chairman, when the federal government builds a road, is it taken up with the department as to how much will be subsidized?

HON. MR. ALLAN: You mean the Trans-Canada Highway?

MR. NIXON: No, on Indian reserves. I understand it is the federal government which builds those roads, is it not?

HON. MR. ALLAN: It is worked about the same as in a municipality. So far as I know, it has always been the policy that the contributions from the federal government have remained very steady from year to year, and we subsidized those.

From my own experience with Indian reserves, I can remember occasions when the county financed the work, and as the money came from the federal government, it was paid off. We have had no difficulty in subsidizing the work on the Indian reserves.

Vote 604 agreed to.

On vote 605:

MR. T. D. THOMAS (Oshawa): Mr. Chairman, the hon. Minister, when speaking this afternoon, referred to the unsatisfied judgment fund, and said the fund has had 3,100 cases finalized, and the total amount paid out of the fund was \$8.25 million. I would like to ask two questions with respect to that.

The first is, how many cases are still pending with judgments against the fund? The hon. Minister may not have

that information before him this evening, but I wonder if he could give us the amount, and what the administrative costs were for the last fiscal year, or the year nearest to it.

HON. MR. ALLAN: If the hon. member for Oshawa will place his question on the Order paper, I will get the information for him, personally.

MR. THOMAS (Oshawa): I do not know whether we will have time to secure a reply. Could the hon. Minister supply that information, without a question being put on the Order paper?

HON. MR. ALLAN: I will be glad to furnish that information, Mr. Chairman.

MR. D. MacDONALD (York South): I would like to make one comment, although I have no question to ask at the moment. I put a question on the Order paper earlier in the session. In the year 1955, the total amount paid out of the fund was \$1.8 million. That was the question I asked, and the answer was that 20 per cent. of the amount went for costs, and 80 per cent. was paid in judgments, in other words, one-fifth of it went for costs.

Here is the simple situation, that we have in the judgment fund an amount which went to lawyers and courts, for costs, of one-fifth of \$1.8 million, or \$350,000, plus the administration costs—if I judge the figures correctly—amounting to \$200,000. So we have, in that connection \$500,000 administratively which went to lawyers and courts, and a balance to be paid into the hands of the people, amounting to \$1.8 million. I suggest this is a highly unsatisfactory way of meeting the needs of the people who have suffered damage.

HON. MR. ALLAN: I think anyone who has had anything to do with the unsatisfied judgment fund will very soon realize that, from the very nature of the claims, quite a large amount of court costs are incurred. These are mostly allowed in addition to the judgment,

which is paid to the person who suffers the damage. It is an unsatisfied judgment fund.

MR. THOMAS (Oshawa): A great many people are unsatisfied, too.

HON. MR. ALLAN: Consider, for instance, a case which can happen, and about which I happen to know. By the time the judgment is obtained, against the person who has caused the damage, all the worldly goods of that particular person have suddenly been transferred to some other member of the family. There is a great deal of effort required to ascertain if such action was fraudulent as well as to determine whether the person against whom the judgment is obtained has any remaining assets, and if there is any possibility of collecting the money in any way.

Sometimes it seems to be almost an endless legal procedure, to have that particular point settled, and if it is a case like that, and it is suspected that the assets have been transferred to other members of the family to avoid the collection of damages, such must be decided.

In some of the cases, there is a great deal of legal work in this connection with it. I have sat in on some of the cases, and I think the costs are reasonable. We have a committee, as the hon. members know, which assesses the amount, and that has short-circuited a great deal of court work, but there must always be the certainty that the particular person is not in a position to pay the amount of money required by the judgment.

While such costs may look like a large amount of money, the proportion is not large, as may be realized. I do not think it is as unreasonable as the hon. member may suspect.

MR. MacDONALD: I just figured it out. Last year, we spent \$568,000, to be able to pay the people of this province \$1,439,418. I suggest it is a very expensive way of doing it. I will only suggest an alternative, which is a much better way, and that is an over-all compulsory car insurance scheme.

HON. MR. FROST: The hon. member, of course, does everything possible to swell the amount by adding in the \$200,000 which the government assumes and administers within this scheme.

MR. MacDONALD: Why not?

HON. MR. FROST: The matter of solicitors' costs has been a bit of a problem. We looked into it some 2 or 3 years ago, and provisions were made in the fund for making approved settlements, to avoid solicitors' costs, which has had the effect of reducing the amount. I agree with the hon. Minister of Highways, it is difficult to avoid the fact that in many of these cases, the matter has to go to judgment, and that the judgment must be shown to have been unsatisfied, before the amount is paid. I can assure the hon. member the costs are taxed down to a bare minimum.

MR. MacDONALD: Mr. Chairman, when did that arrangement go into effect?

HON. MR. FROST: Mr. Chairman, the provision for settlement started about 2 years ago. I think that provision will develop in the years to come, and will take away some of the objectionable features.

We felt, some 3 years ago, that solicitors' costs were getting altogether out of hand, and at that time, we commenced tightening up the provisions, and limiting the amounts of cost which could be charged and collected, and we entered into the provision for settlement, which I think will be developed, as time goes along.

I quite agree that the purpose of this is to provide some protection for the people who have sustained damage by those who either have no insurance, or who are injured by hit-and-run drivers. That is the purpose of the fund.

In the review we made a couple of years ago, we found it was not only impossible, but very undesirable, to take away the realization that this is a judgment, unsatisfied and uncollectible. On

the other hand, I quite agree there has to be very rigid control of costs which are chargeable, otherwise, the tendency might be to have the sky as the limit, as far as the costs are concerned.

I am sure the hon. member for York South will see the point. Supposing we ruled there were to be no costs payable from the fund. The person who held the judgment would still have a solicitor's bill to meet, and we thought it better to take a moderate view, and allow moderate costs.

MR. MacDONALD: Mr. Chairman, the hon. Prime Minister says the procedure, which he thinks reduces the solicitor's costs, has been in effect for two years. Therefore, while it may be reviewed, it is effective in the figures I have given.

HON. MR. ALLAN: Mr. Chairman, did the hon. member include the \$200,000?

MR. MacDONALD: Yes.

HON. MR. ALLAN: That has nothing to do with the judgment.

MR. MacDONALD: Why not?

HON. MR. ALLAN: The money in the fund is at its lowest level in December, and for fear the fund might run out of money, there has always been provision made to place money in the fund, to enable it to carry on until January 1. We have not used that fund since we have charged \$1 per licence. We did not make use of it last year. So that \$200,000 was not used. The only time it was used was when the fee was still 50 cents. The licence money comes in at the end of our fiscal year.

MR. MacDONALD: This is the first year in which it has been in the Estimates?

HON. MR. ALLAN: No, it has always been in the Estimates.

MR. MacDONALD: But it has not been spent?

HON. MR. ALLAN: And it is not likely to be spent. I have the information regarding the fund up to the end of March, 1955. We paid out, up until that time, in class "A" judgments, \$6,394,000. Of that amount, \$1.3 million-odd was for costs. That would amount to just over one-fifth. I would not think that was unreasonable.

In regard to hit-and-run accidents; we paid out a total of \$751,000, and the costs in those cases amounted to \$121,502. It was not necessary in those cases to find out whether the money could be collected from the person doing the damage, because we did not find the person, and the costs were less, in proportion.

MR. THOMAS (Oshawa): I would like to make a further comment. The hon. Prime Minister said this is a problem, and I agree it is quite a problem for some people who are trying to get something out of the fund. I know a case in Oshawa last year where a man had a perfectly valid claim against the fund amounting to about \$225. He went to the lawyer, asking him to process the case, and the lawyer wanted a down payment of \$100 before he would touch it. What would the hon. Minister care to say about that?

HON. MR. ALLAN: Mr. Chairman, after all he does not have a claim against the unsatisfied judgment fund unless he has a judgment.

MR. THOMAS (Oshawa): That is quite true.

HON. MR. ALLAN: There you are.

MR. THOMAS (Oshawa): But the lawyer would not touch the claim until he received a payment of \$100, which the man did not have, and he lost out.

HON. MR. ALLAN: That is just in the ordinary course of a life. It has nothing to do with the unsatisfied judgment fund.

HON. MR. FROST: He had better change his lawyer.

MR. MacDONALD: The conclusion is that the plan is very laborious and unworkable.

MR. THOMAS (Oshawa): The hon. Prime Minister says he had better change his lawyer.

MR. G. T. GORDON (Brantford): When a man has occasion to bring an action under the unsatisfied judgment fund, he has to pay the lawyer certain fees himself, as well as the unsatisfied judgment fund adding lawyers' fees. There are two sets of fees. It is an involved affair and there are two costs, so that all the costs which appear in here are not all of the costs of an action.

HON. MR. ALLAN: Mr. Chairman, they might or might not be. Before the thing becomes a claim on the unsatisfied judgment fund, there must be a judgment. We have nothing to do with getting the judgment. If it was an insurance company, you must get judgment, if they do not pay you.

MR. GORDON: When this unsatisfied judgment fund is discussed among many of our people, I have found no one is satisfied with it. The comment always has been, "Why on earth don't we get down to compulsory insurance?"

When a man applies for his permit, he would have to automatically show a receipt that he is covered financially, and has assumed financial responsibility. He could purchase insurance through the government, for instance. Anyway, he should show financial responsibility, when he applies for his car licence.

Mr. Chairman, I think that should receive some consideration. I think if a poll were taken in the province in connection with compulsory insurance, there would be a verdict overwhelmingly for it.

HON. MR. FROST: I would say that is probably right. There would be a verdict overwhelmingly in favour of compulsory insurance, until it was discovered what it meant.

The hon. member had better look at the experience of some states of the United

States which have had compulsory insurance. Remember the minute there is that type of insurance, everybody must get it, and there is a duty to extend that type of insurance, with the result that it is reflected in the rates, from the very high accident ratio which obtains from certain classes of people.

MR. THOMAS (Oshawa): That is not the case in Saskatchewan.

HON. MR. FROST: That may be.

MR. THOMAS (Oshawa): The accident rate went down.

HON. MR. FROST: May I point out the unsatisfied judgment fund is partly for the purpose of assisting people by giving them something where, otherwise, they would have received nothing. The other purpose is to put the bad drivers off the roads.

The difficulty of compulsory insurance is, it does not put the bad drivers off the roads. By this system, it does. As a matter of fact, taking the public's good as a whole, the unsatisfied judgment fund does a better job in getting the bad drivers off the roads and controlling them, than perhaps the other feature of it.

The emphasis is being put on this matter in the way of paying damages. Unquestionably many people have received very substantial relief and assistance from this fund.

On the other hand, it has had a very great deterring effect on bad drivers, and on unsatisfactory drivers, whom the hon. member for Brantford would compel to take out insurance, which would cost everybody, a great deal more than \$1 a year, if that were done.

That would be reflected in the premiums, and would be paying for the bad driving habits of people who should not be on the road at all.

MR. MacDONALD: Now we have got into this, I would like to say a few words. I have not explored the ramifications of the various aspects of it, but on the matter of costs there is no argument.

If there was a compulsory plan, which included everybody, it is a government plan and insurance can be supplied at 35 per cent. or 40 per cent. of what it now costs.

HON. MR. FROST: That involves a great deal of costs too. The cost is reflected in the insurance premiums where they are not seen.

MR. MacDONALD: What does the hon. Prime Minister mean?

HON. MR. FROST: Because the carrier has to pay the costs himself. That is of hiring adjusters and others to go out and settle these claims.

If we looked at the experience of insurance companies and found out how much they paid in the adjustment of these claims, it would be found that would be a very considerable offsetting item, as against costs. I will agree with the hon. member I think there has to be, and there is, a great deal of control in the matter of solicitors' costs, but it is not all "one way traffic." If solicitors' costs were abolished, there would still have to be safeguards for the fund, or the insurance policy which is issued by a highly expensive organization of insurance companies, in the form of personnel to adjust the claims.

I do not know what rates they pay on the adjustment of claims, but I would imagine 15 per cent. or 20 per cent. This might be a very modest estimate. That is where the cost of adjustment appears in this, in the form of solicitors' costs, which are regulated.

I agree with the hon. member it can be subject to abuse. As a matter of fact, we had a discussion on that subject in this House some 3 years ago, and as a result, arising out of it at that time, the whole matter was tightened up very much, and a year or so later we introduced the feature of permitting an adjustment or settlement of a claim which would be passed through some committee, and that may have very far-reaching effects.

Remember, the effect of this thing is 3-fold. First, it is aimed at keeping insurance premiums down. The people

of this province pay very heavy insurance costs, when the premiums are translated into insurance.

Secondly, it is designed to keep the bad drivers off the roads, and it is having that effect. As a matter of fact, it is pretty rigorous. Some of us feel that it is perhaps too rigorous, and would like to see some arrangement made for permitting a person, who wants honestly to pay his obligations, back on the roads, under certain conditions. That is being explored at the present time.

Thirdly, it is designed to provide something for the person who otherwise would receive nothing. That is all done at the very low cost of \$1 per year per driver. There is no insurance which would provide that type of coverage. The amount of coverage which is given there for \$1 is tremendous, and I think it is a feature which gives a wide degree of satisfaction when people look at it. I say that \$1 is the best dollar any hon. member of this House spends. There is no dollar which gives the return that \$1 can give, up to \$5,000. It helps him to keep down his insurance premium, and puts the bad drivers off the road. How much more can one want for \$1?

MR. G. E. JACKSON (London South): May I say one word on this subject? The intent of the unsatisfied judgment fund, I think the hon. Minister of Highways and the hon. Prime Minister will agree, is to keep the irresponsible drivers off the roads, and make it difficult for a responsible driver to be involved in an accident, not only difficult in the inconvenience, but difficult in the things he suffers.

If that is the true intent of the unsatisfied judgment fund, I think it is a very good thing, because it does just that.

I would answer the hon. member for Brantford by saying it is not necessary to engage a lawyer to obtain satisfaction from the unsatisfied judgment fund. I happen to be in the insurance business, and I have handled a number of these claims. Not only that, but I have handled a number of them without the

normal rate of commission, if there is such a thing, an insurance agent receives for selling insurance in the first place to a responsible citizen.

Once you have a car, which is a means of transportation, and accept, with your car, a form of responsibility, then I suppose you can say you have a legal obligation, once you own an automobile.

The insurance rates in effect in the province of Ontario are not heavy, compared with other provinces, and other states with equal or even greater population.

One of the things the hon. Prime Minister has already pointed out is that the unsatisfied judgment fund has helped to lower the costs. Car insurance now is far more extensively carried in the largely congested areas, such as Toronto, Windsor and, I think, Oshawa. These areas have higher insurance rates for one reason only, experience. That is all there is to it. If you did not have the unsatisfied judgment fund, you would have the insurance companies and the carriers of insurance saying, "All right, we need a spread of risk more than we have now. We have irresponsible people driving cars, who can run into one another."

The irresponsible individual would say, "I do not care what happens to him, I am going to be covered by the state or the province." Thereupon, the insurance companies will say, "We will raise our rates to take care of those people," but if the unsatisfied judgment fund is there, they have a tendency to keep the rates down.

MR. G. T. GORDON (Brantford): May I ask the hon. member for London South a question? Is it not true, at the present time, a careless driver has to pay more for his insurance than a careful driver? There are two premiums now?

MR. JACKSON: If he is convicted of careless driving, yes, possibly.

MR. GORDON: I will give the hon. member an instance.

MR. JACKSON: He has to be convicted of careless driving in the courts.

MR. GORDON: I will give an instance of a chap who did not have his permit with him, and when he went home to get it, he found it was last year's and he had forgotten to renew his permit, and was driving without a permit. He was fined \$10, and his insurance company increased his insurance \$10 a year for 3 years.

HON. MR. FROST: The hon. member knows that is a silly argument to put up. As a matter of fact, the man was convicted of a violation of The Highway Traffic Act, and it was reflected in his insurance.

MR. GORDON: I am trying to point out you have to pay more for your insurance if you are careless. Careless drivers have to pay more for their insurance now.

HON. MR. FROST: That might be. Supposing they do. If you were to take all the bad drivers, and throw them onto the insurance companies, instead of paying \$35 or \$40 for your car insurance, you would pay \$45 and you would not know anything about it.

Now you are paying \$1, getting good value and raising an uproar about it. The hon. member ought to look at the value of a dollar.

MR. GORDON: I will agree there is a good dollar's worth.

MR. MacDONALD: I agree that the explanation given by the hon. member for London South and the hon. Prime Minister is a good reason why we should leave it with the private insurance companies, but I want to suggest—and I will not take long—the proposition we are getting cheap insurance in Ontario at the present time simply does not stand up. The suggestion that we must leave insurance with the private insurance companies in order to find out what it really costs—because there are adjusters' costs and so on—is a “red herring” drawn across the trail. All the admin-

istrative costs are involved in a plan, such as they have in Saskatchewan. They have adjusters, they have all the costs, but they do not go through the needless legalities, which create a bonanza for the lawyers, to effect settlements of claims.

MR. DAVIES: Where is that?

MR. MacDONALD: Saskatchewan.

HON. MR. FROST: How can the hon. member for York South compare the situation in Saskatchewan, with 800,000 people, no tourist business, and without the traffic conditions we have here, how can he compare that with the province of Ontario, with nearly 5½ million people, and 6 million American cars coming in each year? If the government were to go into the insurance business, you would pay more for your insurance premiums than you are now—plenty more.

MR. MacDONALD: Fifty per cent. of the cost that is now going into insurance is not getting back to the people who are paying the premiums.

HON. MR. FROST: Who is getting it?

MR. MacDONALD: When we examined the picture we discovered, for example, there are between 180 and 200 companies selling automobile insurance, of one kind or another. Therefore, there is a highly-competitive, uneconomic situation. It is like soap. When your wife goes out and buys soap for which she pays say 40 cents, she is paying 10 cents for the soap, and 30 cents for advertising. She is paying for the “soap operas” in the afternoon. Well, some like soap without soap operas.

HON. W. GRIESINGER (Minister of Public Works): Does the hon. member believe that?

MR. MacDONALD: I am taking arbitrary figures, it is true.

THE CHAIRMAN: Order.

MR. MacDONALD: But the point is this, when you have 180 or 200 companies, Mr. Chairman, which are selling automobile insurance, the costs go away up, and at least 50 per cent. of it is not going back to the people who are paying the premiums.

HON. MR. GRIESINGER: Can the hon. member prove that?

MR. MacDONALD: Certainly, Mr. Chairman. That has been substantiated many times.

HON. MR. GRIESINGER: The hon. member said that they pay 10 cents for the soap, and 30 cents for advertising.

MR. MacDONALD: Mr. Chairman, the motor car has become a lethal weapon, and there should be the protection of compulsory insurance. But when it is compulsory, it should be secured at cost. Therefore, a co-operative plan should be established in the province of Ontario to supply it at cost. When it is supplied, with everyone involved, it will cost distinctly less than it does at the present time.

I agree with the hon. Prime Minister's remarks if what he is suggesting is that the cost would not be the same in Ontario, as in Saskatchewan. Of course it would not, because we have greater density of population and more cars here. But that does not alter the fact that the premium should be made available in that kind of plan at much less cost than it is now, and we would escape the tedious, laborious procedures of the unsatisfied judgments fund.

MR. JACKSON: Mr. Chairman, may I give the hon. member for York South a piece of literature to read, rather than prolong the matter by reading it to the House? I have something here which I am sure will interest him, regarding the Saskatchewan method of insurance.

MR. MacDONALD: I read that when it came out, before the last election.

MR. JACKSON: It is dated February 6, 1956, and may be of interest to him. I would like him to read it and if he would care to discuss it further, I think it would be for the benefit of the whole House.

MR. T. D. THOMAS (Oshawa): Mr. Chairman, one of the unfair things about the unsatisfied judgments fund is that, if I have insurance on my car, I am compelled to pay \$1 to the unsatisfied judgments fund, and a man with no insurance on his car, pays \$1 also. If I have to pay \$1, with insurance on my car, then I think there would be some equity to the whole thing, if the other was compelled to pay \$4 or \$5. I cannot, for the life of me, see why we should both pay \$1.

HON. MR. ALLAN: Mr. Chairman, before we leave the subject of the unsatisfied judgments fund, I would like to say 2 or 3 things. If I might answer, first, the hon. member for Oshawa, anyone who pays \$1 into the unsatisfied judgments fund does not do so because of the fact that he has his car insured. He pays that \$1 for the protection that may come to himself. There are 6 million American cars coming into the province each year. Some of them are insured and some are not. The \$1 he pays protects him in that direction.

In answer to the hon. member for Brantford, I wonder if he knows that there is only one state in the union where there is compulsory insurance, and that the insurance rates in Boston are 3 times as much as they are in the city of Toronto?

MR. GORDON: Is not New York considering it?

HON. MR. ALLAN: They may be considering it, but they do not have it.

MR. MacDONALD: I find those figures incomprehensible.

THE CHAIRMAN: Order. The hon. Minister has the floor.

HON. MR. ALLAN: In following up the great advantage that comes from the influence of the unsatisfied judg-

ments fund on our drivers, may I ask the hon. members who mentioned the province of Saskatchewan, if they have examined the increase in the fatality rate in Saskatchewan last year?

MR. MacDONALD: Does the hon. Minister want the figures?

HON. MR. ALLAN: Yes.

MR. MacDONALD: When they instituted their safety campaign last year, it was cut from 121 to 64.

HON. MR. ALLAN: What is it this past year?

MR. MacDONALD: It is back again over 100, I agree, and they are trying to cope with that situation. But the point is that when they instituted their campaign, they cut it by 50 per cent. and were able to reduce the premiums by 25 per cent. This year they again reduced them.

HON. MR. ALLAN: It is up 50 per cent.

MR. MacDONALD: The premiums?

HON. MR. ALLAN: No, the fatalities.

MR. MacDONALD: The premiums are down—if the hon. Minister refers to premiums—because I am reading from the Underwriters' Association figures here.

HON. MR. ALLAN: The unsatisfied judgments fund has been a wonderful thing for the motorists of this province. We get very, very many letters from persons who have received money which they would otherwise have had no chance of collecting. We encourage those persons who are not able to drive to make regular payments to the fund, and we have set up a committee, as hon. members know, to enter into agreements with persons who otherwise would not have a licence to drive, and we expect we are going to get a good deal of money back in the fund, and those persons are very well satisfied with their end of it.

MR. THOMAS (Oshawa): Mr. Chairman, I just want to ask one more question and then I promise you I will not ask any more on this item. However, the hon. Minister's reply to the question "why should not a person having no insurance pay more than \$1," was not a very valid one, because it will be remembered when we were in the state of New Jersey they were increasing the \$1 fee there to I think \$4 or \$5 in the case of persons without insurance. I believe that system is operating in the state of New Jersey.

HON. MR. FROST: The hon. member for Oshawa knows it would be a very difficult thing to do administratively. For instance, supposing we charged \$5, and then the man came down and took out insurance, could he come back and get a rebate of his \$5?

MR. THOMAS (Oshawa): Oh well, Mr. Chairman.

HON. MR. FROST: As a matter of fact, the simplest thing to do—and the hon. member for Oshawa knows this is true—is for everybody to pay \$1, and have the protection which goes with it, whether they have insurance or not. Every effort is being made to warn the person who does not carry insurance that he or she is making a very dangerous mistake. That is the point, Mr. Chairman.

MR. GORDON: Mr. Chairman, may I ask the hon. Minister a question? What is the percentage of those not carrying insurance in Ontario? I think it is very small. About 17 per cent.?

HON. MR. ALLAN: I cannot be definite about it, but I think it is about 17 per cent.

MR. GORDON: Yes, it is very small. Vote 605 agreed to.

Hon. Mr. Frost moves the committee rise and report it has come to certain resolutions.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

MR. J. F. EDWARDS (Perth): Mr. Speaker, the Committee of Supply begs to report it has come to certain resolutions and begs leave to sit again.

Report adopted.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair, and the House resolve itself into the Committee of Supply.

Motion agreed to.

House in committee; Mr. Edwards in the chair.

THE BUDGET

MR. ALLAN GROSSMAN (St. Andrew): Mr. Speaker, in rising to speak on the Budget, I would like to raise a problem which is of extreme importance and one to which I think all the hon. members of this House should give very serious consideration. It has to do with the ethnic, or foreign language press.

Now, Mr. Speaker, I do not presume to reserve for myself the privilege of being the exclusive spokesman for new Canadians, although, believe me, I would consider this an extreme honour.

In the first place I am against such a presumption in principle as all hon. members of this House represent all of the people in their ridings, and no one here should speak for any group exclusively, and secondly, of course, new Canadians are not all concentrated either in my riding or in any one particular riding. There are thousands of new Canadians in practically every riding in this province.

I am sure the hon. members for Riverdale, for example, High Park, Bellwoods, Parkdale, Sudbury, Ottawa East, Wentworth, Cochrane South, and so on, have many thousands of new Canadians within the boundaries of their ridings, and they have just as much cause and right as I have to speak for new Canadians, and the situation of

which I am about to speak is one which should give them very great concern. It is a very serious situation.

Mr. Speaker, it is my opinion that we need many, many more immigrants into this country, at least 25 or 30 million of them.

We have within our boundaries now over 500,000 post-war immigrants alone. Now while I believe in a wide-scale immigration policy, I also believe that we have a great responsibility to our new Canadians in helping them integrate. I think that our responsibility doesn't cease just as soon as they have arrived at our borders.

In this respect, Mr. Speaker, I believe the Dominion government, as well as our own provincial government, have been "missing the boat." We have been bringing many hundreds of thousands of people to this country, and leaving them exposed to all sorts of influences, destructive or otherwise, without giving enough consideration to the results of such a policy, or lack of policy, and its ultimate effect upon the future outlook of these new Canadians.

I might say, Mr. Speaker, that some time ago, when the hon. Prime Minister of Ontario was addressing a gathering of representatives of the ethnic press, and in paying tribute to Canada's foreign language press, he stated amongst other things, the following:

I appeal to the editors to continue giving comfort to newcomers through your publications. You represent the freedom of the press and speech in this country, just as much as do the English and French language papers.

This was a fine tribute which the hon. Prime Minister paid to the little-known group of very devoted men and women who are publishing and editing some 35 ethnic papers in this province of Ontario, papers which, while they are foreign in language, are truly Canadian in spirit, and which shape the minds of well over 500,000 people in this province.

Let me state that it is my opinion, and the opinion of many others who

know, that the news and editorial comments as contained in the pages of these foreign language papers are a vital factor, perhaps the greatest single factor, contributing to the process of integration of over 500,000 non-English speaking Europeans who have arrived in Ontario since the end of the Second World War.

Today I would like to pay tribute to the great work of these distinguished ladies and gentlemen of the foreign language press, and present to this House an account of their aims and problems. But before I do this, let me describe the challenge with which this press was confronted after the influx of people into this province, and let me tell you what these people mean to us, and why paying tribute to them is not quite enough, why we should take more interest in them than we have been taking in the past.

This province has, since the end of the Second World War, undergone a most radical population change, probably the most radical population change in its history. The number of people in this period in Canada has risen by over 3 million, and nearly half of this increase has come through immigration. From 1946 to the middle of 1955 more than 1.25 million newcomers arrived on Canadian soil and it is calculated that, out of this number 66 per cent., or 825,000, came from continental Europe.

I suppose by this time the number of people from non-English and non-French speaking European countries who have arrived here since the end of the war approaches the one million mark, and out of this million, about 53 per cent., or more than 500,000, have settled in Ontario. In other words, 1 out of every 10 residents of Ontario today is a post-war immigrant of ethnic origin other than British.

Now, there is no doubt that these 500,000 people, working and living side by side with other Canadians, are bound to have some impact on the future of our province. According to the records

of The Department of Citizenship and Immigration, European immigrants arrived in Canada, in the period of 1946-1954, at an average monthly rate of some 10,000 people.

Perhaps to give the hon. members a more illustrative picture of just how large a group this is, let me put it to the hon. members this way. If all the immigrants who have been coming to the province of Ontario since the war were to settle in one place, they would have put on the map of this province a brand new town, comparable in size to Waterloo, Barrie, Brockville or Pembroke, every 60 days, for the last 9 years.

More than 25 nationalities are represented in the immigrants who came from Europe to Ontario, and they came from all parts of Europe; from the south — from Italy, Yugoslavia, Greece; from western Europe — Germany, the Netherlands and Belgium; from central Europe — Hungary, Austria, Poland, Ukraine; from the north — Denmark, Finland and Norway. They have added over 350,000 skilled craftsmen to the labour force of Ontario, and they are helping industry in its very high developments.

It should here be stated, too, that the large majority of all the newcomers to Ontario are adults, and as such, they have brought with them skills and talents which did not cost this province or this country one cent to develop, and they are ready to become productive the moment they get a job.

In addition, many have brought considerable amounts of cash and invested it in new industries, of which we see examples all around us, and they have helped to maintain the momentum of our economy. If I may be privileged, Mr. Speaker, I would like at this time to quote the hon. Minister of Planning and Development (Mr. Nickle), who said:

In the province of Ontario alone, since 1950, over 500 new industries have been established by immigrants. These new industries, established by

immigrants, have involved the investment of millions of dollars, and are at present, or will in the future, employ thousands of Canadians with jobs.

Now, a most important factor for the people of Ontario to keep in mind is that these newcomers represent an additional \$500 million in buying power annually. This is according to the statistics of the immigration committee of the Canadian Chamber of Commerce.

It is well also, Mr. Speaker, to keep in mind that this province is an exporting province. We still produce more than we can consume, and these new people have assisted in our economy, at least to the extent that they reduce our uncertain dependence on foreign markets. Instead of sending goods in search of people, for example, these people have come to the goods.

In other words, these people not only by their productive power and their skill, but simply by being here, by acquiring goods and services equivalent to the population of a city of 500,000 people, are of immense value to the economy of this province. They share the cost of running the province, and they are as important to the Ontario Treasury as are the people of Ottawa, Hamilton and Windsor combined, which, according to the 1951 census, had a population of some 530,000 people.

Let me quote again, if I may, the hon. Minister of Planning and Development, who said:

Far from being a drain on the Canadian economy, these immigrants, and the industries they have established, have made a great contribution to the building up of Canada, and keeping her prosperous.

There is another factor, too, which we should keep in mind. We need many more people to help pay for our needed services. For example, we have been speaking about spending \$2 billion on water resources and conservation. We need many hundreds of millions of dollars for an extended network of highways, and there are numerous other

services for which an increased population could help to pay.

We should also keep in mind that our immigrants are, above all, human beings, and some of them have some pretty grim memories of the past in their enslaved countries. Many of them, of course, are bewildered by a new country, a new language and new customs, and all of them are looking forward to a brighter future in this province.

If we agree that it is good business for everybody to have immigrants here, it is certainly everybody's business, and primarily the business of those present here, to make certain that at least we give them every good chance of integration. We will find that by helping them we will be helping ourselves, because then we will be assuring ourselves not only of a prosperous, but a healthily democratic, country.

How can we help out in the proper integration of the immigrant? Of course, he wants to know as much as he can about our province, so that it will help to make his life more successful here. He wants to know about national affairs; he should know about our national affairs and we want him to know about our national affairs.

He wants to read some news from his old country and also keep in touch with world events. In a community such as ours, in an English-speaking community, he finds himself behind the impenetrable barrier of language.

Therefore, after his arrival, one of the first things a newcomer reaches for is a copy of a newspaper in his own language, the only instrument which can pierce the language barrier. Through such a paper he will form his opinions about Ontario and its government and institutions, and this paper is the one which will interpret the country to him. It is a natural thing. If an English- or French-speaking Canadian were situated in Rotterdam or Copenhagen, where would he look to get his news? He would look for a newspaper in his own language.

The foreign language press speaks to the ethnic groups in more than a dozen

languages in our province. Of course it exerts a great influence on the minds of the newcomers, and will be responsible for forming their opinions. The foreign language press is the only connecting link between newcomers and the world outside.

A recent survey made by a research organization shows that 76.5 per cent. of newcomers receive no English language newspapers, 80 per cent. receive no English language periodicals, and 96 per cent. prefer to read publications in their own language. These papers enjoy great readership. They are passed from hand to hand, from house to house, and sometimes are sent even to prospective immigrants in Europe. So they play, as I say, a very vital and important rôle in the integration of newcomers to this province.

There are now two distinct and separate groups of foreign language papers, one of them working constructively in support of our Canadian democratic institutions, the other working destructively, following vigorously the teachings of communism.

The democratic foreign language press in Ontario publishes about 35 newspapers and magazines in over 15 languages, and has a very fine record of good community service. These papers enjoy a total circulation of about 200,000 and an estimated readership of about 800,000.

Ontario, however, is also the publishing centre for the foreign language communist papers, 12 of them in 10 languages, with a circulation estimated at over 100,000 copies. They are part and parcel of a nation-wide scheme, penetrating into all types of organizations, labour, cultural societies, educational, and so on. I do not have to tell the hon. members of this House to whom this group pledges allegiance. They are financed from the same source, and managed from a central office here in Toronto; and according to very reliable sources, \$250,000 annually is the sum necessary to support the numerous pro-communist publications in Ontario.

Here is a point which I would like to emphasize to the hon. members, and which I would like them to keep in mind. All the hon. members of this House who have, as I said, thousands of new Canadians within their ridings, should know that these two bitterly opposed groups are engaged in silent warfare for the minds of our new Canadians.

These immigrants, most of them having experienced the terrors of communism, are essentially anti-communist, but the loneliness and the hardships they often encounter, before they finally get established, make them perfect targets for the well-camouflaged communist line, which plays on the minds of unhappy and unestablished people.

We should do everything we possibly can to assist the democratic foreign language press in their often-times uneven battle against the small, but well-organized and financed group of communist papers.

The federal government has done some work in recognizing the value of the foreign language press. There are a number of the departments of the federal government, The Department of Citizenship, the Post Office, The Department of Fisheries, which do some work by way of advertising messages in the foreign language press. These campaigns are highly appreciated by the printers and publishers of the foreign language press alike. There is no doubt that a well-informed citizen is a good citizen, and if we find that the only way of informing the new Canadian citizen is through the medium of the newspapers which he reads, then it follows that we must make sure that he is given all the information necessary for the proper understanding of the workings of our government, its agencies and institutions, in the paper which he reads.

If we expect the fullest contribution of our new Canadians to the progress of our province and their full participation in our community life, we must make sure that the information presently available to English-speaking

citizens of Ontario is extended to our immigrants in their own language.

Our province spends over \$1.5 million a year keeping the people of this province informed about government activities. The publishers and the editors of the new Canadian press calculate that this works out to about 50 cents per capita spent on advertising and publicity by our province annually on each English-speaking resident in Ontario—man, woman and child. These estimates are based on figures contained in the *Directory and Guide of the Services of the Ontario Government*, which gives the population as of June, 1953, at 4,897,000, with 67 per cent. of the population being of British origin.

The Department of Highways and The Department of Publicity are using the newspapers to a considerable extent to inform the citizens of this province for example, as to the dangers of careless driving, understanding and respecting highway traffic rules, describing the scenic beauties of Ontario, and on other subjects which keep them informed on provincial matters. Yet because of the language barrier these messages do not reach over 500,000 people who live in Ontario.

If the departments of our government feel, in their wisdom, that it is not only desirable but necessary that this information be published in the columns of the daily and weekly newspapers printed in English, surely this information would prove of equal value if it were published in the foreign language publications for those people who do not possess our background and to whom many things in Canada are new. If it is found advisable for The Department of Highways, for example, to give information as to measures for safety which should be used on the highway, then we must take it for granted that if this information is not given to new Canadians in the press they read, then to some extent, their lives are being endangered.

There are many other departments of the government which publish information which should, of necessity, be pub-

lished in the foreign language press. For example, The Department of Agriculture publishes much information on live stock, poultry, dairying, soils and fertilizers, wheat, fruit and vegetables, farm economics and other subjects. This information should be published in the form of advertisements designed to reach those immigrants who have taken up farming and now operate thousands of farms, primarily in southern Ontario, in order to assist them in farm conditions which are, to a great extent, new to them.

Information should be supplied by The Department of the Attorney-General to the immigrant who settles in Ontario, about the functions of the judiciary of the province. He should be told how it operates, what his rights, privileges and duties are, and where he can receive legal aid and advice in case of need.

It should be pointed out to our immigrants just how our police system operates, so that they will know their rights and obligations in relation to the police. After all, it is difficult for many of us to realize the terror that a police uniform holds for many of our immigrants. As an illustration of what I mean, there is on record a case of a newcomer who was detained at the police station for a minor offense, and who, unaware of how the law and the courts of Canada function, panicked and hanged himself.

I am sure hon. members of the House recall this case, and while of course, it is an extreme example, it serves to show the attitude of many European immigrants towards the police, due to their unhappy experiences in Europe. Now I think The Department of the Attorney-General could do a great deal in informing and educating the immigrant so that he will realize that the police are essentially the friends and protectors of all the people.

The Department of Education has shown some leadership in its community programmes branch, and is doing a fine job on citizenship education. However, the activities and services of this department are not being publicized to the extent that they should be. Night

classes for newcomers are being advertised only once a year, and in a very limited number of newspapers. Since knowledge of English is a basis of citizenship training, more publicity should be given to the facilities and information in the foreign language press.

The Department of Health has many services available to the public of which the immigrant is not aware. The new Canadian should be told through his press the services — dental services, industrial hygiene, maternal and child hygiene, public health nursing, tuberculosis prevention, and other aspects of the services available from the department. In this department is a wealth of pamphlets available in English, and this could be used as a basis for material for a campaign in the foreign language press to promote better health among these people.

The Department of Highways, to my mind, is one which should do a great deal in informing the new Canadians about the Ontario traffic laws, and the proper usage of highways. A campaign by The Department of Highways, similar to one conducted for English-speaking citizens, would be of particular benefit to the new Canadians, since many of these newcomers have come from countries where traffic is not nearly as heavy as it is here, and where traffic regulations are, to some extent, not the same as they are here. Surely such valuable and much-needed information should, of necessity, be publicized in the foreign language press so that it will reach the attention of over 500,000 of our people, who otherwise will know nothing of this necessary information.

The Department of Labour carries on many activities which should be publicized amongst the new Canadians. Legislation such as The Minimum Wage Act, Fair Remuneration to Female Employees Act, The Fair Employment Practices Act, and The Hours of Work and Vacations with Pay Act, the Workmen's Compensation Board, all should be explained to the newcomers in order that they should know their rights. For example, such information

would protect them from unscrupulous employers who might take advantage of their employees' lack of information. It is reasonable to assume that money spent on the campaign by the Workmen's Compensation Board on accident prevention alone would save much of the expense involved in the publication of such information in the foreign language press.

The Department of Lands and Forests should explain to the new Canadian the need for the protection of fish and wildlife, as well as the need for the protection of forests in the province, and how to assist in such work.

The Department of Planning and Development: this department, perhaps, should be from time to time informing new Canadians through their press where they are most likely to find better opportunity in the province for any particular employment which they are seeking. This department also should inform the newcomers about our civil defence programme. I am sure many of them would be interested, having experienced the terrors of war and the need for co-operation with our civil defence authorities.

The Department of Public Welfare prints many folders and pamphlets in English regarding programmes such as mother's allowance, unemployment relief, disabled person's allowance, day nurseries, and so on. This information should be given to the new Canadians. Of course, translating these folders and publishing them in some 17 different languages may prove impractical, but the same purpose could be accomplished by disseminating this information through the foreign language press.

The Department of Travel and Publicity could encourage new Canadians to learn more about their adopted land, and to learn the beauties of our province, and how to take advantage of the facilities throughout the province. Incidentally, new Canadians should prove very good prospects for the tourist trade in Ontario, since they cannot travel outside of Canada until they receive their citizenship papers.

Certainly the Ontario Hydro should feel that this newest audience is also interested in Hydro's programme. Certainly it would be good for Hydro to explain to new Canadians how it operates, how it provides the power at cost. Also, the campaigns for safety regarding wiring, and so on, which appear from time to time, should be available to this vast audience.

To sum up: it seems elementary that if we feel that it is necessary to publicize many of these aspects of the operations of our government, then why should we, even from a practical point of view, ignore an audience of 500,000 or more, if we do not want these people to feel like second-class citizens? And I know we do not. We should give them all the information which we feel is necessary to give to the citizens of this province.

While new Canadians are entitled to this information, and that alone is good enough reason for seeing that they are given it, from a standpoint of dollars and cents, it appears to me that from the standpoint of the amount of unnecessary suffering avoided by traffic and work accidents, and the lives saved, such information will also bring about financial savings. Of course the resultant savings on account of smoother operation of government offices and agencies, as well as of goodwill created for the institutions of our province, is also an important factor.

Let me repeat briefly:

1. More than 500,000 new citizens have settled in Ontario in the last 10 years, representing 10 per cent. of the population of this province.

2. More immigrants are expected to settle here in the future.

3. They contribute their skills and talents to the development of this province, as well as their money to the revenues of Ontario.

4. It is, of course, essential for better citizenship to create a bond of understanding and loyalty between the government of the province of Ontario and its institutions, and the vast number of new Canadians who have settled here,

particularly since World War II, by providing immigrants with information about the province, its government, and its institutions generally, and about the services available to them particularly. This seems to be elementary and fundamental.

5. It is difficult, and in most cases impossible, to communicate with this vast group of people except through the foreign language press, and in view of these facts and in recognition of the splendid community work of the foreign language press in this province, I submit it is highly advisable — and indeed necessary — to establish a government policy — and to put it into effect immediately — whereby the loyal foreign language press of Ontario shall receive proper co-operation.

What I am going to recommend has been the result of a great deal of study on the part of the organized group of the loyal foreign language press, and these are recommendations which I believe have already been placed before certain hon. Ministers in the Cabinet, and I believe also the hon. Prime Minister, and I am going to repeat them here. I have examined them and they seem to be eminently reasonable and fair, and I am going to put them on the record in exactly the same way in which they have presented them, as I could not, on examining them, think of any way in which I might feel they need improving or amending before I endorsed them, and I, therefore, recommend, with them, that the following be done:

1. An appropriation for advertising and publicity proportionate, on a per capita basis, to the number of residents of this province, whose mother-tongue is other than English or French, be allotted for advertising in the loyal foreign language papers published in Ontario.

2. Having regard for the fact that the advertising and publicity Budget of the province amounts to \$1.6 million annually, and that the Ontario population of European origin comprises approximately 20 per cent. of the population in

this province, a Budget of some \$320,000 would be indicated. On the other hand, if only the post-war immigrants, whose knowledge of the English language obviously is very limited, are considered, a group comprising something over 10 per cent. of the population of Ontario is involved so that a Budget geared only to the post-war immigrants alone would involve about \$160,000.

A Budget should be established in between the two figures, and should be on the order of \$200,000 to \$250,000.

3. That all advertisements placed by any of the departments in the English language publications in Ontario should be placed in the loyal ethnic press, as well.

4. That in view of the fact that pamphlets published by the various departments of the provincial government in English are not available in any other language, a special campaign be developed to acquaint the foreign language-speaking population of Ontario, through the columns of their own papers, with the many services available, from the provincial departments which use pamphlets for the dissemination of information.

May I say in closing, Mr. Speaker, that at the outset of my address I pointed out that this is not a problem just for new Canadians in my riding. This is a problem for the province generally, and it is a problem which should be given very serious consideration by all hon. members of the Cabinet, and all hon. members of this House. I strongly urge all the hon. members of this House to make proper inquiry in their own ridings, as regards my thesis that there are many thousands of new Canadians in their ridings who read no English language papers, and who are unable to read any other paper but the papers printed in their own languages, and that these papers are having a difficult time struggling to stay in existence, and do a

proper job. I am sure if they do that, they will find this is a problem which should be attacked immediately, and something done about it.

On the other hand, while they are doing this, I think that they should be very careful in their inquiries, to make sure that they are in a position to recognize which are the democratic papers and which are the anti-democratic ones. If information is desired by any of the hon. members, I will be pleased to provide them with the name and address of the organization of the legitimate new Canadian press, from which they can obtain any information they desire along these lines.

I strongly urge before I sit down, Mr. Speaker, that the hon. Prime Minister and the hon. members in the Cabinet give immediate attention to this very, very urgent problem.

MR. G. C. WARDROPE: (Port Arthur): Mr. Speaker, due to the lateness of the hour, I move the adjournment of the debate.

Motion agreed to.

HON. L. M. FROST (Prime Minister): Mr. Speaker, in moving the adjournment of the House, may I say that tomorrow, of course, there will be no night sitting. I would like to adjourn tomorrow between 5:15 and 5:30. On the following days, Wednesday and Thursday, we will have night sittings.

Tomorrow we will consider the Estimates of The Department of Labour, and we may reach Bill No. 99, and, if possible, continue the debate on the Budget, and consider Supplementary Estimates.

Hon Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10 of the clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Tuesday, March 20, 1956

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

TUESDAY, MARCH 20, 1956

3 O'CLOCK, P.M.

And the House having met.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

HON. L. M. FROST (Prime Minister): Mr. Speaker, I desire to present a motion to the House. It is one which is somewhat difficult to advance, but I have had some experience with this matter over the last 10 years. The motion is in relation to the indemnities and allowances paid to hon. members, hon. Ministers, Mr. Speaker and the hon. leader of the Opposition.

First of all, Mr. Speaker, may I say that no hon. member and no hon. Minister ever can be paid, in public life, an amount which is commensurate or comparable with amounts paid in business, industry or other walks of life. That is very definitely one of the difficulties of public service, and there is no remedy for it: it will always be the case, and that may as well be accepted.

When I first became a member of the government a number of years ago — the hon. member for Brant (Mr. Nixon) and the hon. leader of the Opposition (Mr. Oliver) will recall this also — to pay a civil servant more than a Minister was paid was an unthinkable

thing. That principle has been abandoned long ago, and now there are some in the civil service who are able to qualify for salaries twice as large. That always will be the case, and I do not think that principle can be reversed. As a matter of fact, I do not think it should be reversed.

Those in public life have to accept the idea that it is not a question of salary. Intermingled with it, to an extent that it cannot be disentangled, is the matter of giving service to the public. It is a question of paying something which indemnifies to a degree, the individual for the services rendered.

On the other hand, there is the great problem to be faced of the unescapable costs of representation. It is not merely the question of indemnity: it is a question of the cost which those who are serving the public must face. It should be understood that these things constitute a very large problem. I do not know how many times larger this province is than the state of Texas, about which our American friends like to speak, but to go from here to Port Arthur by train takes all tonight, all day tomorrow and until tomorrow night. That involves expense. I can assure the hon. members that there are increasing expenses on trains, quite apart from the passes which are issued to the members only, and which do not cover anyone else, nor do they cover berth and meals. If the hon. member desires to engage in modern travel and travel by plane, which may take only 2 hours, he has to pay his way himself. If he

does not want to come down here by either of those ways, but wants to look after the innumerable demands of his constituents, he must use the long-distance telephone; and I imagine that some hon. members find that amounts to a very considerable item in the course of one month.

Nowadays, when there are these new streamlined trains, *The Canadian* and others, hon. members for some "reason" are not permitted to travel on them, unless they pay their fares; and if they travel on them their expenses are increased.

There is the cost of meals and hotel and other expenses in this city as well. If ever I needed to emphasize to hon. members of this House that this is a high-cost province — we heard something about that today in the matter of hospitals — let any hon. member stay in one of the hotels in this city for a couple of months, and he will learn the costs involved.

Some years ago, on account of the high cost of staying in this city, I endeavoured to always try to limit the sessions to about 6 weeks. That is completely impossible today. This session is the second session since this Legislature was elected. There probably will be another session, on at least two very important subjects, before a year from the date of the return of the election writ. Furthermore, this session in which we are now engaged will extend over a period of some 9 weeks.

Mr. Speaker, the actual out-of-pocket expenses of representation is becoming a very real problem, without considering anything commensurate for the services rendered, the value of which never can be fully recognized. Those services are something which the hon. member assumes when he enters public life.

Mr. Speaker, I have discussed this matter with the hon. leader of the Opposition, and also with the government members of the House, and with the hon. member for York South (Mr. MacDonald). Having done that, Mr. Speaker, I wish to put before the House, the following motion.

Hon. Mr. Frost moves that a select committee of this House be appointed to study and inquire into the payment of indemnities and allowances of members of the Assembly, members of the Executive Council, Mr. Speaker and his office, the leader of the Opposition and his office, including the nature, form and amount of such indemnities and allowances and all matters pertaining thereto, and to report its findings to the Assembly at the present session thereof.

The said committee to consist of 6 members as follows: Messrs. Manley, Murdoch, Reaume, Stewart, Thomas (Oshawa), and Wardrope.

And the said committee shall have full power and authority to call for such persons, papers and things as the said committee may deem necessary for any of its proceedings or deliberations.

Motion agreed to.

MR. SPEAKER: Introduction of Bills.

THE CHILD WELFARE ACT

Hon. L. P. Cecile moves first reading of Bill intituled, "An Act to amend The Child Welfare Act, 1954."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, under the present Act, an order for the adoption of an adult cannot be made, unless the director of child welfare certifies that the person sought to be adopted has been in the custody of, brought up, maintained and educated by the applicant as his own child under a *de facto* adoption. Or, where the director finds that he cannot give such a certificate, he notifies the court to that effect and the court itself reviews the whole case, and if it finds a *de facto* adoption it may make an adoption order.

The Bill relieves the director of child welfare and children's aid societies from responsibility, and work in connection with adult adoptions, and places the responsibility on the court alone.

THE PUBLIC HEALTH ACT

Hon M. Phillips moves first reading of Bill intituled, "An Act to amend The Public Health Act."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, this Bill entails chiefly 4 principles. The first one is the repeal of certain provisions of The Public Health Act, which are being transferred to The Pesticides Act, 1956. In other words, it is complementary to Bill No. 95, "An Act to regulate the Use of Pesticides." It takes the provisions of pest control out of The Public Health Act and places them in an Act by itself.

This Bill also calls for an increase in the number of members of local boards of health in townships having a population of 4,000 or more.

The third point is simply the definition of certain terms. This deals with section 6, subsection 1, which defines the words "board", "construction", "owner", "sewage", and "sewerage project."

Fourthly, section 6, subsections 20 and 21, deal with one aspect of the whole problem of pollution of the streams of Ontario. Much has been done in various conservation programmes to correct some of the sources of pollution. The Department of Health through its sanitation branch has extensive powers to order the proper disposition of municipal and industrial wastes, and incidental to these powers, is the authority to approve of the design, construction and method of operation of sewage disposal plants. In areas where there is a heavy concentration of population and industry, the problem becomes acute. In spite of the advances in methods of sewage disposal, even the most up-to-date and perfectly designed plant, falls short of perfection. Therefore, it becomes impossible to keep the water in our inland streams in exactly the same state and quality as it was before becoming affected by urban development.

These sections provide for a ready and adequate method of compensation to riparian owners for lands that may

be injuriously affected by the project. It is provided that these claims shall be heard and determined by the Ontario Municipal Board.

It is further provided that any sewage disposal plant that has been approved by The Department of Health, shall be deemed to be constructed and operated by statutory authority.

The amendment further provides that certain injunctions that were granted restraining certain municipal corporations from operating their sewage disposal plants, will be dissolved, and the litigants will be given the full right to compensation as provided in this amendment. This amendment will not come into force until proclamation by His Honour the Lieutenant-Governor.

MR. SPEAKER: Introduction of Bills.

THE FIRE MARSHAL'S ACT

Hon. A. K. Roberts moves first reading of a Bill intituled, "An Act to amend The Fire Marshal's Act."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, these amendments will enable municipal and provincial fire officers to order a re-inspection of electrical installations in cases where they find fire hazards exist.

MR. SPEAKER: Before the Orders of the day, I would like to welcome to the Assembly 4 groups of students; one group is from Northern Vocational School in Toronto; another from Notre Dame Convent, Toronto; another from Ryerson Public School, Toronto; and from North Lea School in Leaside.

HON. G. H. DUNBAR (Provincial Secretary): Mr. Speaker, I beg leave to present to the House, the following:

1. Report of the Minister of Public Works, Ontario, for the 12 months ended March 31, 1955.

2. The 36th annual report of The Department of Labour of the province of Ontario for the fiscal year ended March 31, 1955.

MR. SPEAKER: Orders of the day.

The House, upon order, resolved itself into the Committee of Supply.

ESTIMATES, THE DEPARTMENT OF LABOUR

HON. C. DALEY (Minister of Labour): Mr. Chairman, before I proceed to present the Estimates of my department, I would like to refer to the number of Acts which are administered by this Department. The Trades and Franchises Act, The Elevators and Lifts Act, The Factory, Shop and Office Building Act, The Fair Employment Practices Act, The Female Employees Fair Remuneration Act, The Hours of Work and Vacations with Pay Act, The Industrial Standards Act, The Labour Relations Act, The Minimum Wage Act and The Operating Engineers Act, The Athletics Control Act, The Building Trades Protection Act, The Department of Labour Act, The Employment Agencies Act, The One-day's Rest in Seven Act, The Public and other Works Wages Act, The Rates of Labour Act, The Workmen's Compensation Act and The Workmen's Compensation Insurance Act.

Mr. Chairman, this is the 13th time I have had the privilege of presenting to the committee the Estimates of The Department of Labour. I became Minister of Labour in August, 1943, and the first Estimates that were prepared under my direction were for the fiscal year 1944-45.

A great many changes have occurred in Ontario during these past 12 years, changes in our way of life, changes in business and industry, changes, too, in The Department of Labour and its activities. I am happy to record, however, that there has been no change in government, nor in the constantly-increasing and loyal support which the people of Ontario have given to the present administration.

Back in 1944, I presented an over-all Budget of approximately \$450,000. Today, I am asking the committee to approve of Estimates totalling \$2,162,000.

Both of these figures are on ordinary account. Back in 1944, the Estimates on capital account intended to redeem vacation with pay credits, through the sale of stamps, was \$400,000. In the Estimates for 1956-57, the amount required to redeem these credits is \$9.5 million. That is an indication of what this vacation with pay has done for the people of this province. This is not the total vacations with pay, it is only those who are in the construction industry or in more or less temporary employment who change their employers from time to time.

In 1943, this country, along with a great many others, was engaged in a terrible war. We were in the grip of a great many controls and the whole attention of the people was focused on the production of goods and services essential to the prosecution of the war.

Our industry was expanding at a fast rate and production was stepped up enormously. All this was not accomplished without a considerable amount of difficulty. We had quite a rash of industrial disputes and strikes. In those days, The Ontario Department of Labour ran a joint conciliation service with The Federal Department of Labour. It consisted of 6 conciliation officers, 3 Ontario and 3 federal.

Today, after almost 13 years of operation as Minister of Labour, I note that we now have 12 conciliation officers on our own staff and we are proposing to train 2 or 3 more men as additions to that staff.

A great deal has been said in the press and in this House about the breakdown in The Labour Relations Act. I must say to the prophets of doom wherever I meet them that the evidence is all against them.

Back in 1943, we were in the middle of a great drive to organize the working people of this province, and this was not carried on without a great deal of controversy between management and labour and work stoppages were frequent. Today, 13 years later, a great deal of the heat and controversy has gone out of the picture and in most

cases, collective bargaining is carried on in a businesslike fashion.

I, for one, feel that there has been an ever-increasing acceptance by labour and management of the heavy responsibility that lies upon them when they undertake to bargain for the employees in industry.

Before the end of the session, there will be laid on the table the annual report of The Department of Labour for the fiscal year ending March 31, 1955. I think that a few figures for that fiscal year will demonstrate to you that an enormous volume of work has to be handled in the field of industrial relations. Under The Labour Relations Act, I am required to appoint the conciliation officers to handle individual disputes. The figures on these appointments, for the fiscal year, 1954-55, are interesting:

Appointments made in previous fiscal year, and conciliation officers still active	190
Appointments made in fiscal year	1,105
Total	<u>1,295</u>

Agreements effected by conciliation officers	624
Cases that lapsed	4
Appointments continuing at close of fiscal year	212
Cases where Board of Conciliation not appointed	48
Boards of Conciliation appointed	260
Cases closed through further conciliation work	147
Total	<u>1,295</u>

From these figures, I should like to point out that out of a total of 1,295 conciliation cases handled in the fiscal year, 624 settlements were made with the assistance of conciliation officers and a further 147 cases closed through their further efforts, making a grand total of 771 cases settled, or a percentage of 59.53. Further, 212 cases were still continuing at the close of the fiscal year, or 15.59 per cent. A total of 260 Boards of Conciliation were appointed, or 20 per cent. of the cases.

Now let me turn briefly to the strike picture during the fiscal year 1954-55.

At the start of the period, there were 3 strikes continuing from the previous fiscal year. A total of 72 strikes occurred during the fiscal year. These 72 strikes may be classified as follows:

Arising after conciliation proceedings	32
Occurring amongst groups not covered by The Ontario Labour Relations Act (Covered by federal Act, 3; municipal employees, 2)	5
Wildcat strikes	35
Total	<u>72</u>

I should like to point out that out of a total of 1,295 disputes handled under The Labour Relations Act during the fiscal year there were only 32 disputes which could properly be ascribed to the operations of the conciliation services under The Labour Relations Act, or 2.55 per cent. of the total volume of cases.

I should like to say that the year 1954-55 is one of 3 or 4 years in which the same pattern has developed, namely, a high proportion of settlements and a very small number of strikes.

In the past several months, there has been a considerable amount of discussion in the press that The Labour Relations Act should be completely overhauled, pointing to the very considerable delay in conciliation. There are two sides to this coin. If I, as Minister of Labour, were to insist that conciliation officers and conciliation boards adhere rigidly to the time limits set in the legislation, it would not be too long before the same people who are crying most lustily about delay today, would be crying just as lustily that I was making a farce out of the conciliation procedures, because I was more intent on getting them finished up within the times specified in the legislation than I was in seeing disputes resolved. Our concentration in the past has been on settling disputes and our record is good.

I may say that there is little or no delay in getting the individual cases into the hands of the conciliation officers. There is delay, in many cases, when the conciliation officers try to bring the parties together for meetings, because

the union representatives, the management representatives and the conciliation officers are all busy people. The problem is to get the earliest dates which are available to all 3. Referring to the conciliation officers, I can say that at the really busy times of the year, their work is lined up a week or 10 days in advance, and most of them will have a half-dozen matters on the go at the same time.

If it is hard for the conciliation officer, the union representatives and management representatives to get together on dates, it is just that much harder when a Board of Conciliation is involved because then you have to try to find dates to suit the 3 members of the board, the union and the employer; 5 different parties.

I believe that constructive criticism is good, but I am afraid that much of the criticism levelled at The Labour Relations Act has been destructive, because it has not been well-informed in character. My advice to both labour and management at all times is to honour their collective agreements strictly and to pitch in and bargain for an agreement with every effort they can make from the moment that they sit down at the bargaining table. It is poor strategy to stretch the process out.

I am sure that you, Mr. Chairman, and I, are both impressed by the results which have been obtained in the 1,295 disputes which were handled during the period under review. In passing, I should just like to point out that there were many hundreds of negotiations for collective agreements which were concluded successfully without resort to the conciliation procedures. I have no accurate idea of the total number of collective agreements which are in force in Ontario. The 1,295 cases I have discussed are only those where the parties availed themselves of the conciliation services under the Act.

Industry has come into the province and invested millions. Now I believe these millions were invested as much on the continuity of our form of government as on the sound financial position of the province.

When an industry is considering a place to locate, it carefully examines every aspect of transportation, availability of satisfactory labour, etc. and, of course, the labour legislation under which it must operate. For instance, I have here a letter which is self-explanatory and indicates what I mean better than I can explain.

Some time ago, two men were heading up a new industry which they intended to establish in this province, and came into my office for discussion as to just how things were done in this province. This industry was coming from the United States. I had a very pleasant, interesting discussion with them, and turned them over to my officials, who continued with the discussion, and gave them information. I have this letter. I will not read the whole letter, but it says:

The example that you and your group had set in a co-operative approach to labour matters has made quite an impression on us. We are most pleased to be locating in Ontario and look forward to many pleasant years of association with your department.

That industry, if not already in operation, is very close to it, and it is quite a sizeable institution.

I point that out because from previous experience I have had long before I became the Minister of Labour, I had many discussions with people who were contemplating starting a plant in my home city of St. Catharines. I know what they inquired about were the prospects of good sound labour, a continuous supply of it and among other things which interested them were the labour conditions under which they would have to work.

Now, Mr. Chairman, some days ago one of my colleagues, the hon. member for Riverdale (Mr. Macaulay), made some suggestion in his remarks to this House regarding the functions and activities of the Labour Relations Board. He suggested, if I interpreted him correctly, that it be reconstituted, and its

powers and activities be enlarged, so that it would be given the judicial powers now vested in the courts.

May I say, Mr. Chairman, in all sincerity, that as much as I admire the hon. member—because it is evident he has given a great deal of thought to this matter, and has come to certain conclusions, and is not one of those who simply criticize and say, in various ways, through the press and other media, that the Act should be changed without making any suggestions for a practical solution to this contentious question—I must say, as serious as I believe him to be, I do not agree with him.

I believe the board has ample power to do the job for which it was designed, and, having great faith in the justice of our courts, I believe the courts should be available to anybody who feels aggrieved. In fact, I believe this should be the principle all boards should adopt. Boards are human and can err, and make mistakes, and the hearing before a court should never be a privilege, but a right.

The composition of the board today, is, in my opinion, the right one. I believe the hon. member made some suggestion that the board should be constituted differently. I think perhaps the hon. member had in mind the possibility of a permanent board, but today, we have a board composed of representatives of labour and management, two top-flight representatives of labour organizations, and two from the manufacturing industry.

It seems to me there is great advantage in having that sort of a set-up. We have the representatives of organized labour returning to their union meetings, and discussing the policies, and what is transpiring in the field, and what changes are taking place, and you have those two members of the board in close touch with all that happens in their own field.

On the other hand, there are two representatives of management who keep in close touch with their people, and who are well aware of any changes which may be contemplated, and who

are very close to their people, and who have a definite realization of what is happening. I think all of that is of value to the board. If a board should become permanent, they would soon become civil servants, and, in my opinion, after a few decisions on their part which did not meet with the approval of one or the other — or either of them — they would quickly fall into disrepute. I believe the present set-up of the board is a very good one, and I again compliment them on the work they have been able to do. It is a fine thing when management and labour can sit down and solve disputes and reach agreements. True, they have many, many discussions, and there are often great difficulties, but, in the end, the over-all picture has been that they have been able to work together co-operatively, and do a great job in their fields.

The hon. member for Riverdale also raised the point of trusteeship in unions. I will not deal with that matter to any extent, other than to say I think it is an internal problem of the unions. I prefer to leave it that way. They have a constitution and have certain rights, and if they decide, for some reason, that some affiliated union should be placed under trusteeship, I believe it should be left for them to decide.

These things I have been discussing are not new to me. The hon. member for Riverdale was kind enough to make some very kind remarks about myself, Mr. Finkelman, Mr. Metzler, and Mr. Fine. The 4 of us have innumerable discussions on all problems which have come before us, and I rely a great deal on the thinking and wisdom of the 3 gentlemen whom I have mentioned, in regard to making decisions. We sit down together, and take the position that I am on one side, and another is on the other side, and we have open and frank discussions on everything. There are no punches pulled. I believe the decisions finally reached are, under the present circumstances, the right and proper ones.

Mr. Chairman, I cannot find out who wants these changes made. There have

been no representations from unions nor from management. In regard to increasing the power of the board, I say to the hon. member for Riverdale, "No." It is good to have the courts behind the scenes, where people may apply if they feel they have been unfairly treated.

I want to mention another matter, because it has been mentioned frequently in this House, and that concerns a gentleman with whom I presume all hon. members of the House are familiar. I refer to Mr. George Burt. May I say, Mr. Chairman, that I have developed a very high regard for this individual. He is a clever operator, and has accomplished much for his organization. I think I can say that without fear of contradiction.

However, in the General Motors situation, I believe he was wrong in walking out of conciliation, stating that the conciliation services were of no use to him.

Had it been permitted to function, my view is it might have been — and I say "might have been," Mr. Chairman — able to resolve at least some of the questions in dispute, if not all, and would, at least, have brought out the differences, and what the company was prepared to do about them. It is not inconceivable, Mr. Chairman, that had the proper procedure been carried out, it might not have been necessary to conduct such a long and paralyzing strike. I knew, in confidence, what the company was prepared to do at that time, but with the board out of the window, the company never had a chance to make its position known.

It is also significant, Mr. Chairman, that after George Burt's remarks at the time he withdrew from the conciliation services, claiming they were of no use to him, our conciliation officers settled two disputes for his union, the very same week, namely the Barber-Ellis Company of Brantford, and the Sperry, Gyroscope of Ottawa.

Now, Mr. Chairman, conciliation delays have often been criticized, concerning the time limits of enforcement and

so on, but I think, Mr. Chairman, we must recognize that conciliation is designed as a delaying process. Of course it is. It is designed to keep men at work while negotiations proceed.

I have here, two opinions from people who deal every day throughout the year with conciliation. I will not read the entire letters, as I have not them with me, but I did cut out these particular parts of them. The first one reads:

In these circumstances, the association wishes to go on record as believing that the present conciliation procedure has, on balance, proved reasonably satisfactory in a majority of cases.

It provides for a "cooling off" period which experience in a number of highly industrialized countries has shown to serve a useful purpose. It is submitted that it is simple common sense when two parties have had a disagreement over something which in the nature of things is decidedly complicated, to provide a procedure which will make it possible for the opposing points of view to be clearly presented to a tribunal representative of the two parties and presided over by an independent chairman with judicial training.

Furthermore the publication of the Conciliation Board's report gives both the employer and the employees concerned and the general public an objective impartial appraisal of the issues and thus assists materially in mobilizing public opinion on one side or the other. This has special significance in the case of disputes where a work stoppage would cause a serious injury not only to the large number of employees directly and indirectly affected, but to the community generally.

It is further submitted that an analysis of the history of conciliation boards will show that in a substantial majority of cases, resort to the conciliation procedure resulted in effecting a settlement and avoiding a strike.

It should also be pointed out that the adverse attitude to the conciliation procedure referred to above is by no means adopted by the majority of unions.

I have another letter here which deals with this matter, because conciliation is one of the things which is generally criticized. It reads as follows:

I have for acknowledgment your letter of February 29 enclosing a *Research Bulletin* dated December, 1955, and dealing with the survey of time spent in conciliation of labour disputes under The Ontario Labour Relations Act.

As one who has just had within the past hour a notification that the United Steelworkers of America have requested and have been granted a second postponement in the first hearing of a Board of Conciliation, I feel moved to agree with your findings but also to ask you just what is the solution?

I am sure that you are not unmindful of the fact that conciliation officers more often than not try to put themselves at the disposal of the parties in setting dates for their meetings and often accept delays because one or another of the parties are unavailable, or for that matter one or the other of the parties (and unions are not above reproach in this regard) are stalling for the outcome of certain other negotiations or conciliation in the same plant with another union, in the same industry or a related industry, and even perhaps in the United States of America.

Failing settlement and nominees are appointed, how many times do the two nominees fail to contact each other for several weeks because of other commitments, then pass names around and finally settle on someone who urges the parties to get someone else because of his own commitments? Nevertheless, to get the devil we know, rather than the devil we don't, how often do the two nominees urge him to accept the appointment knowing full well the delay?

Finally, when the board does commence its hearings and needs an adjournment which may well be at the request of the union or the company to consider the evidence submitted by the other party, then how many times does the board, with only a few dates available among the members of the board, have difficulties with the parties — not overlooking vacations of particular personnel, conventions, other boards, etc.?

When a report is to be drawn up, how many times do the members of the board experience difficulty in getting a date mutually convenient to all 3 members of the board, and then following such a meeting, decide to hold another hearing of the board and there again meet the convenience of the parties?

And now the \$64,000 question — does the solution lie with us or with The Department of Labour? Do you suggest that the department enforce some rigid discipline to the end that the officers and the board members take a course of action within periods of time or vacate their functions? If so, can we continue to secure personnel capable of handling the job to the end that the ultimate objective, namely a new collective agreement, will be achieved?

It would appear that both unions and companies would have to accept a date set by a conciliation officer or a board chairman with little or no representation for a postponement and perhaps therefore have the meetings conducted by personnel in attendance who could not contribute as much to a settlement as the ones who had been more interested but who were not available.

All in all, I can agree that some improvement is possible, including a greater readiness to accept the fact that a Board of Conciliation should not be appointed, but I submit much of the solution rests with the parties and not with The Department of Labour.

Mr. Chairman, that happens a great many times.

MR. REAUME: From whom was that letter received?

HON. MR. DALEY: Mr. W. F. Cleve Kidd, in reply to some criticisms, and was written by Mr. D. G. Pyle, who is a consultant.

MR. MacDONALD: A consultant with whom?

HON. MR. DALEY: An industrial consultant. That does not favour one side, nor the other.

MR. MacDONALD: Oh no; right down the middle.

HON. MR. DALEY: It blames them both.

MR. MacDONALD: That is a good way to confuse the issue.

HON. MR. DUNBAR: I thought this was going to be a nice bright day, and everything was going to go fine.

THE CHAIRMAN: Order. The hon. Minister has the floor.

HON. MR. DALEY: The Minister has the right to refuse to appoint a Board of Conciliation. It is within his discretion. Last year, there were some 48 or 50 refusals. There is great value I think in having that discretionary power, although I do not exactly like having to use it, but it has proved to be very valuable. It is valuable to have the authority to say, when issues have been discussed and narrowed down, at time almost to the point of settlement, that there shall be no board, because, man being what he is, unions sometimes secure all they can from a conciliation officer, and then say, "We will go to the board; we might get a little more." Management, on the other hand, feels exactly the same way, and perhaps by having a Conciliation Board appointed, they will say, "We can delay the process and will get this job finished"—as in a construction job—"before the board can make its report."

The question of discretionary power rests with the Minister and I can say,

if circumstances warrant, "No; sit down and do business," and because they both realize if I declare no board, the union can exercise its economic strength and proceed to strike, if it wishes, and it is quite possible that neither management nor the union want a strike, so they get down to business, and that has proven very effective during this past year.

Mr. Chairman, I would like to discuss a few other items which come to our attention from time to time. We have had a request—and this has been mentioned in this House—from the construction trades asking to be excluded from The Labour Relations Act.

I will refer the hon. members back to a statement I made in a former talk, that the Labour Relations Board has indicated—I forget the exact figures—that over one-third of its activities were with the construction trades, which indicates that the construction industry is making great progress.

There are, across the length and breadth of this province, thousands of good employers in the construction trades, who negotiate with their employees each year with mutual understanding. If the construction trade was excluded, why not others? Why not the wood operators, who operate a great deal of seasonal work, and the textile workers are in the same category, there is an off season in that industry, and it could include others who have seasonal employment. I repeat, Mr. Chairman, across the length and breadth of this great province, we have thousands of good employers, and we have good workmen, and they are working in harmony and good will.

To exclude the construction trades from this Act would simply cut the feet out from under all these people and leave them open to any sort of demand that may be made. You might get a situation tonight, where they want \$1 an hour increase, and if that is not given they will go on strike tomorrow. I do not believe that should be. This Labour Relations Act has stood the test over the years, and has given a sense of

security not only to the employer but to the employee.

If we want to destroy the labour relations of this province which, in spite of criticism, I claim are very good, that would be a very good way to do it. The agreements which are being written from time to time for longer periods than a year, have brought about a measure of stability into this industry which, as we all know, is largely built on a tender basis. I do not believe it would be advisable to exclude any group from The Labour Relations Act.

The question that was discussed the other day here and I was very much interested in it and gave it my whole-hearted support and that has to do with assistance to university students. I think this country needs highly trained people; the universities are filling this need and will continue to do so in the future. I suggest that anyone who has the ability and the wherewithal to get higher education, I am all for it.

The reason I mention this is that I do not want the young people of this province to feel that they, who for some reason or other, economic or otherwise, are not able to obtain a university education and, therefore, the future is very black for them. Mr. Chairman, that simply is not so. There is need in this province for skilled mechanics of all kinds. I know of two presidents of quite large industrial organizations who had no university education; I know of hundreds of men who are making their way in industry, and in construction trades, who never had university education.

I say to the young people get a university education if you can, but if you cannot there is a big field left open for you in this province. We have trade schools, we have apprenticeship training which is operated as a dual responsibility between The Department of Education and The Department of Labour, and we are continually endeavouring to bring up the standards, and turn out well-equipped people to take their place in the scheme of things, and to secure employment and lead happy and contented lives.

Mr. Chairman, I have listened here throughout the years I have been in the House to many speeches and particularly from the hon. members of the CCF Party, who have made—

MR. MacDONALD: You will hear some more before this day is out.

HON. MR. DALEY: —brief periodic visits to this House, and they always seem to endeavour to represent themselves as the official representatives of labour. They do the shouting but we get the votes.

MR. MacDONALD: George Drew told some of them that in 1948.

HON. MR. DALEY: As indicated by the seats in the House.

MR. MacDONALD: It is like a merry-go-round, it goes round and round, and everyone has a chance.

THE CHAIRMAN: Order.

HON. MR. DALEY: The workers in this province know that the government has a real interest in their safety and their welfare. When you think of the amendments this government has made to The Workmen's Compensation Act, which have liberalized compensation, and given humane and efficient administration to the injured and has returned to the workers 92 cents of every \$1 of assessment. Many states in the United States of America return from 35 cents to 45 cents to the worker. We have a humane, efficient administration.

Consider our Labour Relations Act. It protects the rights of the workers, permits them to organize, without discrimination, it has developed greater understanding and good-will, and will bear comparison with any labour legislation anywhere. I say that in all sincerity.

The Hours of Work and Vacations with Pay Act has stood the test of time. Organizations are working — and I hope they always will — to negotiate shorter hours and longer vacation periods. It has set a pattern, and operates in the interest of the workers. Our

Discrimination Act, as it affects labour in relation to accommodation and equal pay, may not be perfect, but I know if every Act which has been written into the Statute books was perfect, this House would only have to meet every 10 years, because there would be no need to amend them.

MR. MacDONALD: Some of them are inoperative.

THE CHAIRMAN: Order.

HON. MR. DALEY: I wish the hon. member would keep quiet. I sat here listening to you the other day without interrupting.

THE CHAIRMAN: Order.

HON. MR. DUNBAR: You must expect the black flies once in awhile; they float all around.

THE CHAIRMAN: Order.

HON. MR. DALEY: I think the hon. member for York South feels his position. He said, in a speech here one day, he spent half his life milking cows and I would say—

MR. MacDONALD: That is aimed—

HON. MR. DALEY: —remembering what the CCF used to be, and looking at what they are today, the hon. member has been left “holding the bag.”

THE CHAIRMAN: Order.

MR. MacDONALD: Some more of our barnyard humour.

THE CHAIRMAN: Order.

HON. MR. DALEY: Many things have affected us in bringing about a high standard of living and making this province one of the finest places in which to live. The worker knows these things, and he knows, in order to have steady employment, good wages and good conditions, industry must also be strong and profitable, and that is why they support us.

The speeches to which I have listened from the hon. members of the CCF, all tend to point up that the employers of this province are a “bunch of greedy, grasping individuals,” who spend their time thinking up ways and means to grind their employees down. Actually, the employers of this province in general, Mr. Chairman, are fine people, good citizens, who, with due regard to their company or shareholders, and the competitive position of the company, spend their time endeavouring to improve productive efficiency of operation, so they can improve the conditions under which their employees work, through increased wages, insurance plans, safety, etc. In short, they are endeavouring to make conditions such that they will have happy and contented workers and, most important, provide steady employment.

MR. MacDONALD: Amen.

HON. MR. DALEY: I admit there is the odd fellow who objects to doing anything more than he absolutely has to, but they are few and far between, and are disappearing, and will soon be forgotten.

This is an age of progress and understanding, and I would say that nowhere in the world, do more people enjoy more of the good things of life than right here in this province. This has been accomplished, not by employees, nor employers alone, but by mutual understanding and good-will, and good-will does exist in this province. Do not forget that the employee of today is the employer of tomorrow, in this land of opportunity; there is every opportunity for people here, and we want to keep it that way, so let us be realistic in our approach, and not disrupt something that has stood the test.

The Labour Relations Act, I reiterate, is a good Act, it has been weighed in the balance and has not been found wanting, and it provides a procedure which brings the parties to the negotiating table, and that, in my opinion, is the only way. I say this Act is in balance,

and to change it you would have to impose on labour some restrictions, take away some of their constitutional rights they presently enjoy, and make mandatory such things as compulsory voting, and compulsory arbitration and some other things which, in my opinion, are completely undesirable, impracticable and unworkable.

If this Act is weighed in any way, which I do not admit, I believe it is in balance, and if it is weighed in any way, it is in favour of the worker.

I would like to speak for a few moments on some other problems we are meeting from day to day. I have no doubt many hon. members have received letters from operators of foundries, who are concerned about some new regulations. I would like to tell the House what we have been doing and why our regulations are necessary in foundries.

I believe there was discussion last night about silicosis, and foundries have always been noted for creating that very bad disease. Some 5 years ago we started to examine into the foundries of this province, and we endeavoured to improve the housekeeping, the ventilation in foundries and gradually bring the places of work up to a better standard, and still enable them to carry on business.

We have hundreds of foundry operations in this province, large and small, and we have no trouble with the large operators, because they are as desirous as we are of protecting their workers. We have some of the finest foundries to be found anywhere right in this province. However, we have the smaller group, who are equally anxious to protect their workers but, in some cases, without the financial ability to comply with too stringent regulations. After 5 years of effort on the part of two practical foundry men, whom I appointed to work with the smaller foundries in an effort to endeavour to get them to improve their housekeeping, and their ventilation systems, and to bring them up to a higher standard.

We now feel we should design some regulations. However, we are not taking that upon ourselves. I have called in all the people who are interested in it, I have called in the unions which are affected in these industries, I have called in the proprietors of those industries, I have called in anyone I thought could give us any assistance in designing regulations which would accomplish what we want to do, without destroying a great segment of our industry. I think we will be successful.

The other night here there was a discussion about silicosis in the mines, and the value of the aluminum treatment. I do not know the first thing about the aluminum treatment, other than it has been used. What the results are, I do not know, I think it is very debatable. I do say that the improvement in the ventilation and the changing of air systems, particularly in foundries and other changes we have made, will greatly decrease the silicosis incidence. As a matter of fact, Mr. Chairman, throughout the last few years, silicosis has been greatly reduced. I am quite certain that the incidence of silicosis during the last few years has been greatly reduced.

There is another question which is a difficult one, and which was placed on the Order paper about operating engineers. It is a very difficult question to answer. I have not my notes with me as to how many violations there were, nor how long certain violations continued in certain industries. That, Mr. Chairman, is a very difficult question to answer.

It would be incorrect to say there have been no violations. I know that there have been some, and that there are some presently in existence. However, what can we do about them?

Let me give an instance. A large plant has a first-class engineer, which the horsepower demands; and also one or two second-class engineers, and so on. Probably the second-class engineers have been employed by that firm for years, and believe they are capable of running that plant. It happens that the

first-class engineer secures another position, or has sickened or died, or in some way the first-class position becomes vacant. No other first-class engineer is available at the moment. The second-class engineers are desirous of stepping up into the first-class engineer's position, but they have to write examinations. As a matter of fact, they are entitled to that position if they can qualify.

There are two things which can be done in that case. One of them is to take a second-class engineer and put him into that position—or perhaps shut the plant down. I do not think anyone would agree with that. What we do is make sure that the men operating the plant, even though they may be below the standard required, are entirely capable of running it.

Secondly, we insist they get the properly qualified people, with all due haste. Sometimes it is very difficult to accomplish that. This is another field in which young men in this country could find useful employment, if they are not able to secure a University education. It is a field which is short of experienced people. It is true that it takes some time to qualify but when a young man qualifies and becomes capable, he has a very satisfactory position awaiting him as there is big money in these first and second-class engineer's jobs.

In my department, we receive complaints that sometimes young men have failed; but my instructions are that we are not to try to find ways and means of keeping fellows from becoming engineers, but to help them become engineers. We need them, and we do everything we can to help them.

As I have said, there are some violations. In one case, there is a second-class engineer there and the plant has only 19 horsepower over the maximum required for a second-class engineer. That 19 horsepower extra requires a first-class engineer. In another case, the second-class engineer has already written his examination, and has qualified, and is in the first-class position now, so that case has been eliminated.

It is a difficult thing sometimes to know exactly what to do. We want to keep the industries going, we want to keep them safe, we make sure that they are safe. However, it is pretty difficult. A man maybe one step below the qualifications for a particular job, and may have proven that he has all the ability to run that particular plant. I do not think we should toss him out.

I believe we are carrying out the work in a fair and realistic way. I cannot answer the question on the Order paper in the time available. I would need a great deal more time, and I do not know just how long it would take. Even if some plants have been in violation, I say, in all sincerity, there have been no serious violations, nothing that would affect the safety of the operation of any plant.

Mr. Chairman, we now have an elevator inspection service. We started it a couple of years ago, and it is growing. I am not going to say much about it. We have a competent staff of inspectors, and the people of this province can be assured, when they get on an elevator, or when they are working in an industry in which there is an elevator, that it is reasonably safe to the fullest extent it is possible to make it safe.

In regard to the question of trench excavations; this is administered by the municipality, but the regulations are laid down by The Department of Labour. Those regulations are pretty effective. I could not give actual figures, to show whether there have been any deaths from cave-ins since these regulations came into effect. I have not heard of any. In general, the workmen who find it necessary to work in these excavations have a reasonable amount of security at the present time.

I should like to mention the work of the Ontario Athletic Commission. I have some figures here, which it is not necessary for me to read, but I wish to table them and have them put in the record so that anyone can see the particulars. The statement is as follows:

ONTARIO ATHLETIC COMMISSION
Last Fiscal Year

Total permits—boxing and wrestling	1708		
Total licences—boxing and wrestling	382		
Taxes		\$22,445.08	
Total cumulative for the year			\$34,853.89
<i>Expenditure</i>			
Salaries and expenses		\$ 7,950.06	
Maintenance		1,943.29	
Assistance to amateur sport		9,992.13	
Grant to British Empire Games		7,500.00	
		\$27,385.48	

FINANCIAL STATEMENT
April 1, 1954 to March 31, 1955

<i>Professional Wrestling</i>			
Taxes		\$21,768.22	
Permits	(1604) @ \$ 5.00	8,020.00	
Licences—individual	(220) @ 5.00	1,100.00	
referees	@ 10.00 & 25.00	525.00	
Canc.—none			
		\$31,413.22	\$31,413.22
<i>Amateur Wrestling</i>			
Permits	(2) @ \$ 2.00	\$ 4.00	\$ 4.00
<i>Professional Boxing</i>			
Taxes		\$ 676.86	
Permits	(8)	1,525.00	
Licences—individual	(79) @ \$ 5.00	395.00	
referees	(1) @ 25.00	25.00	
	(1) @ 10.00	10.00	
managers	(7) @ 5.00	35.00	
seconds	(63) @ 2.00	126.00	
Misc.		2.81	
Fines		150.00	
		\$ 2,945.67	\$ 2,945.67
<i>Amateur Boxing</i>			
Permits	(96) @ \$ 5.00	\$ 480.00	
Referees	(11) @ 1.00	11.00	
		\$ 491.00	\$ 491.00
		TOTAL	\$34,853.89
<i>Expenditure</i>			
V88-1 Salaries—permanent		\$ 5,090.77	
temporary		768.93	
V88-2 Travelling expenses		2,090.36	
V88-3 Maintenance		1,943.29	
V88-4 Assistance to amateur sport		9,992.13	
V88-5 Grant to British Empire Games of Canada		7,500.00	
		\$27,385.48	
<i>Maintenance Summarized</i>			
Freight, express, cartage		\$	
Purchase of equipment		74.75	
Stationery, printing		362.41	
Telegraph, telephone		194.62	
Miscellaneous		1,311.51	
		\$ 1,943.29	

It will be seen that from April 1, 1955 to February, 1956, \$12,000 was spent on assistance to minor sport. The \$12,000 represents a good deal more than actual dollar value, because of the cut price we received for this equipment. In other words, Mr. Chairman, we buy this equipment for these young people.

MR. OLIVER: Would the hon. Minister say how wide the distribution of this equipment has been, and to how many places it is sent?

HON. MR. DALEY: Some 260 sports organizations received help last year.

MR. OLIVER: What did they receive?

HON. MR. DALEY: When someone wants to run a minor baseball team or a midget hockey team—we deal only with minors and midgets—and when they are short of equipment and have, say, 160 boys out practicing, we send them more than one-half of that number of hockey sticks or we send a number of baseballs and bats, or a couple of baseball catcher's equipment, which is very costly, and which few can afford to purchase. We also send hockey equipment, boxing gloves and so on.

In reply to the question of the hon. leader of the Opposition, I can say that 260 sports organizations received help, representing approximately 25,000 minor sports enthusiasts, and that no deserving group has been refused equipment.

There are certain requirements, of course, which are necessary. If people write in for equipment, we do not send it out straightaway, as otherwise there might be a field practice, and on the first occasion each player may take the equipment home, and that might be the end of it. Provided that someone will sponsor the team, and be responsible for the proper care of the equipment, we never refuse a request.

In addition, the department distributes pamphlets and booklets on the various

types of athletics. These booklets are distributed free of charge, as well as rules and regulations for various types of sport. We also send out certain types of crests. All this is done on request. We do not send anything unless someone asks for it.

MR. P. MANLEY (Stormont): Do these groups have to belong to an organized league, before they are given hockey sticks?

HON. MR. DALEY: No. If anyone has a group of boys in the neighbourhood, who are interested in baseball, and desire assistance, we will be glad to help them with some equipment. There are also these crests and trophies.

MR. MANLEY: Does the department supply trophies also?

HON. MR. DALEY: We have supplied some trophies, but I would prefer not to go too deeply into that business. We can give crests for little "kid's" sweaters also.

I would like to say something about boxing as this matter was mentioned in the newspapers sometime ago. On the question of Sunday boxing and wrestling, the Act states that the responsibility of conducting Sunday sports rests with the municipal government. If a municipal council wishes to have Sunday boxing and wrestling within its area, it is within their jurisdiction to provide for it.

Mr. Chairman, as far as I am concerned, I disapprove of boxing or wrestling on Sunday. Personally, I am opposed to it, but, as I have said, the Act places the responsibility on the municipality. If they, by a vote, wish to have Sunday sports, and boxing and wrestling, that is their responsibility.

I know of only one case where a municipal government did that—I think it was in Port Colborne—and it was not successful. They had about 100 on the first Sunday, 60 on the second Sunday and only about 8 people on the third Sunday so they closed the whole business up. As far as I am concerned—

and, as many hon. members know, I am pretty broadminded—I hope that Sunday boxing and wrestling will not come into existence in this province.

Mr. Chairman, I would remind hon. members that the department is located now in the new building at 8 York Street. We have great facilities down there. We have 6 floors and the entire department is housed under one roof. We have room now, including a board room, for the proper and efficient conduct of the business, and I think this will result in even better administration.

To sum up, The Department of Labour is a busy department, carrying on many activities which I outlined at the outset of my remarks, and about which I do not think many of our citizens know.

I can say most sincerely that without the efficient and conscientious staff we have, we could not give the service which we do at present. My staff is conscientious and realistic, and renders great service to the people of this province in promoting a healthy, happy and prosperous people. I am happy to commend them publicly.

Our work is and always will be contentious. The Estimates which I am presenting are prepared on the basis of our needs. They have been approved by the Treasury Board, and I solicit their approval by the House, so that we may carry on with the splendid co-operation from management and labour we have received in the past. I hope, thereby, we will make this province a most desirable place in which to live, so that all men may say: "Life is good."

MR. A. J. REAUME (Essex North): Mr. Chairman, I feel that those who work for The Department of Labour are a fine type of people and are doing a fine type of work. I suppose it is the habit of every head of a department to praise the workers in that department.

HON. MR. DALEY: Only if they deserve it.

MR. REAUME: It is his duty to bring out all the fine points, and if he can do so without injuring anybody, he may try to hide some of the other points. I wish to make some remarks on a matter which is of importance, and on which the department has spent a great deal of time.

It is the question of strikes. I wish to refer to the strike at the Ford plant in 1954. In that instance, the hon. Minister and his staff came into our city and, generally speaking, did a very fine job. However, the hon. Minister did not stay there; he came in, heard both sides of the story, and as he had hours and hours of time, he might have spent some of it in trying to avoid that strike, but at 4 o'clock in the afternoon, he packed his suitcase and "beat it" back to Toronto.

HON. MR. DALEY: That was after 3 days.

MR. REAUME: Had he stayed until the deadline for the strike, which was hours after that, he might have "come up" with the answer. Just prior to that strike, there was another one, and again the hon. Minister was there, but he did not stay. I think it was only 48 hours after he had gone that the strike was settled. The important point is that he could have tried further, and might have been able to avoid strikes before they occurred.

The hon. Minister now finds fault with George Burt. George Burt is a man who probably has had as much experience in this field as any man in the province. There is only one reason in my mind why he should have walked out, that is, because he, like many others, became sick and tired of the way these Boards operate. There is a waste of time, and the meetings are long-drawn-out affairs. Consequently, these men on both sides, either industry or union, become sick and tired of it all and are not in the proper frame of mind to effect settlements.

HON. MR. DALEY: He was not "sick and tired" in the other two cases I mentioned.

MR. REAUME: Even after George Burt walked out, if the hon. Minister, as head of the department, had any ideas at all as to any offers which were or might be forthcoming from the company, he might have been able to bring the strike to an end, and might have had some way of giving that information to George Burt.

If the hon. Minister felt he had some information or that there was a package deal, he might, in some way have settled that strike. If he did not pass that information on to George Burt, in my opinion, he was not doing the job well.

HON. MR. DALEY: When anybody, whether in labour matters or anything else, tells me something in confidence, that is the way it is, and I hope it always will be.

MR. REAUME: I do not know why the head of any industry should make the hon. Minister a confidant. If the head of the industry was interested in bringing this strike to an end, he could have used the office of the hon. Minister as a means of getting that information to George Burt. The Department of Labour is certainly one of the most important departments of all, and again I want to say of the House committees, of the groups of men who serve on committees on anything in connection with the function of the House, the only group which does not meet is the Committee on Labour.

The hon. Minister says everything is rosy; everything is fine. Well, if he were to hear the stories of union and of industry as well, I am certain he would have to conclude that everything in the province is not well.

HON. MR. DALEY: I did not say it was.

MR. REAUME: Alright. I think there is an answer. A month ago, I spoke in the House and moved a motion, or tabled one in the House, asking the hon. Minister if he would call a meeting of the Committee on Labour, that we might hear representations, and

arguments, and advice, if you will, from both sides, from industry and the unions. I have not heard anything more about that motion. I do not know if the hon. Minister has thrown that motion in the bag or garbage can.

MR. MacDONALD: The hon. member is in the wrong Party.

MR. REAUME: No, I am very happy right here.

MR. MacDONALD: Opposition motions are not to be considered.

MR. REAUME: I want to find out, if I can, what the hon. Minister intends doing about it. I do not think it is enough that he should sit back smugly in his easy chair, and just because an idea comes from the minds of the Opposition, he should pass it off.

Is there anything wrong, I would like to ask him, with the House committee meeting, and continuing to meet, until we have heard all sides of all parties concerned? I think the hon. Minister should head the committee. Is there anything wrong with that?

HON. MR. FROST: That motion will probably be called tomorrow and the hon. member will probably debate it. I do not want to spoil his speech.

MR. MacDONALD: When will the committee be called? It has not been called for 5 years.

MR. REAUME: I feel better. Again, I do not think I can find much wrong with the Estimates, as far as they go. If I were to be critical of the Estimates, I would have to say that the people who are employed in The Department of Labour are fine and good people. I think, generally speaking, they are doing a good job, but I think they are overworked and underpaid.

I have noticed instance after instance where we would want a man in Windsor, and they were too busy elsewhere. I want to say again that it is my thought we should bear in mind the weight which the department carries in the settlement of these disputes. It is

all-important, and I cannot emphasize too strongly that the hon. Minister himself ought to enter into every dispute he possibly can.

I was told in connection with a strike, whether it occurred in one of the cities west of here, or not, that the hon. Minister asked George Burt ahead of time, "Please tell me if there is a strike brewing." Apparently those are the words he spoke to George Burt. The hon. Minister indicated he would want to know if, in any part of the province, there was a strike brewing. I think that word "brewing" is an important word, not as it applies to beer, but as it applies to strikes.

If there were in the department a sufficient number of good people, who had their ears to the ground, and who would report to the hon. Minister that a strike was brewing, and if the department would send a "trouble-shooter" into that area at once, it is my opinion there are many, many strikes which might be avoided in the province.

HON. MR. DALEY: We are doing that all the time.

MR. REAUME: I do not think you are. I can remember of an instance which occurred in Windsor.

HON. MR. DALEY: The hon. member said I asked George Burt.

MR. REAUME: I will bring an instance to your attention. I remember one case in 1951, when a strike occurred at the Ford plant. The hon. Minister sat down in that comfortable chair of his, and took the attitude that prior to stepping into any strike, he must be invited by both sides.

HON. MR. DALEY: It depends upon the circumstances.

MR. REAUME: That is what the hon. Minister tells me. I remember going to his office, and on that occasion, it appeared as if the company had the union "over a barrel." The union wanted to meet with the company, but the company said, "No." They did not

want to, just because somebody thought somebody had somebody "over a barrel." The hon. Minister knows that in every strike, it is the same old game which goes on and on and on.

HON. MR. DALEY: May I answer that? In many of these cases, all that is required by me—perhaps I should insist on more—all that is required by me is a telephone call from a union, to say they want me to come.

MR. REAUME: That is the point I want to make.

HON. MR. DALEY: That is the way it is.

MR. REAUME: If one side feels they have the other side "over a barrel," they will not call. Consequently, they do not meet.

I think the greatest thing in the settlement of a strike is to meet, and go on meeting, and keep on talking, if it takes days, because only out of talking around a table, will anything eventually come up. Some person will finally "come up" with the answer.

In at least a couple of strikes, about which I know something, this has occurred. In my opinion, we must be critical, I think, of the actions of the department, because in one strike alone, the Chrysler strike, the hon. Minister walked entirely out of the picture, and within 48 hours somebody else settled that strike. Not the hon. Minister nor a member of his department at all.

In the case of the Ford strike, the hon. Minister had 6 hours which he could have given to the strike. He just chose to pack up his suitcase, and get out of Windsor as quickly as possible. I do not hate the hon. Minister enough so that I was anxious he should leave. In fact, I was very anxious he should stay.

I must thank the hon. Prime Minister for this. He says he never goes fishing or hunting, but I think the hon. Minister was going fishing or hunting one day, when we wanted him to come

to Windsor to work on a strike. We could not find the hon. Minister. He was away at a convention, so we phoned the hon. Prime Minister of the province, who I understand, was going fishing or hunting, and who graciously contacted the hon. Minister of the department, and at once the hon. Minister flew, or at least arrived in Windsor in a hurry.

His presence in that city seemed to brighten things, but he did not stay. He left, and then it darkened again.

HON. MR. DALEY: I am not a perpetual light.

MR. REAUME: Consequently, the people of Windsor, hoping he would bring about a settlement, felt very badly when they found out he did not settle it. I am trying to make this point. I think the purpose of calling upon the hon. Minister, or the members of his department, on behalf of a city or a town or a community, which has a strike on its hands, is because there is not a person in the whole city who does not feel it. It affects everybody there.

I have oftentimes heard it said there is no one who wants a strike. There might be some truth in that. It would not be so bad if it only affected the strike area, but a strike like the one which occurred at Oshawa, and such as we have had in Windsor at Ford's, affects the economy of the province and of the entire country.

I think it is imperative and important that the hon. Minister, at the head of the department, should either appoint somebody to look after it or stay there himself. I know he cannot be "all over the place." I know he cannot be in 5 places at once, but I would have thought, that, in the case of the Ford strike, in 1954, where some 12,000 people were involved, he would have stayed there at least until the hour had been set when the strike would actually occur, but 6 hours prior to that time, he packed up and left.

HON. MR. DALEY: I think the hon. member should give me a chance to defend myself on that. I am greatly

concerned about it, because he raised it last year. However, I flew to Windsor, after doing some government business, in the hope and at the invitation of officials there, including the ministry, and a great many other people. I thought at that time it would have been much better had I stayed away for a couple of days, and gone in immediately after the strike broke. It probably would have been a short strike.

However, I acceded to the wishes of a great many people, and rushed there. We were there 3 days. The night before we left was really the end of the negotiations as far as we were concerned. We had reached a stone wall, and there was nothing we could do. We stayed over and got the parties together the next day, and met until well on in the afternoon. Both mutually agreed there was nothing more we could do. There was a plane leaving then, and I had to leave at that hour or stay another day.

I am conscientious enough to know that a big strike like that is a very important thing, and 4 or 5 hours of my time is nothing in comparison. However, I was at the end of the road, and they knew it, and there was no question raised by either of the parties. The hon. member has raised it, but they have not. So I do not take his criticism very seriously, because I think I can say that I had made every possible effort outside of the organization, to bring about a settlement, and I do not feel guilty at all.

MR. REAUME: That is the point. His policy has always been that he usually waits until a couple of days, after the strike occurs.

HON. MR. DALEY: No, not in that particular case.

MR. REAUME: I think that policy is wrong. I think the hon. Minister should try to put out the fire before it starts to burn. If the hon. Minister says he would have been further ahead if he had waited until the strike had occurred, before going down, again I want to say I think he is wrong.

HON. M. DALEY: The hon. member is a past master at twisting things around.

MR. REAUME: No, I am just an amateur.

HON. MR. DALEY: We have settled far more difficulties which might have led to strikes before they happened, than we have after—hundreds more. But in that particular case, there was this big and powerful United Auto Workers on the one side and the big Ford industry on the other. Those people had been negotiating for months, and I think they each wanted to show the other they could take a strike. The hon. member emphasizes that particular case.

MR. REAUME: I was a boy when the hon. Minister was an "old-timer" at that game.

HON. MR. DALEY I did not "get" that.

MR. REAUME: I will explain it to the hon. Minister.

HON. MR. GRIESINGER: Why did not the hon. member settle his own strike?

HON. MR. DALEY: There was no possibility of preventing that strike.

MR. REAUME: I would like to say the hour of 5 o'clock is approaching, and I understand we are to have a party tonight in honour of the press. I would not want to go beyond 5 o'clock, so I will probably speak again tomorrow.

Mr. Reaume moves the adjournment of the debate.

Motion agreed to.

HON. L. M. FROST (Prime Minister): This matter will be considered again tomorrow afternoon.

I would like to move that we meet at 2 o'clock tomorrow, which will enable us to leave at 5 o'clock or close to that this afternoon, in order that the press may operate on the hon. members tonight.

Before this committee rises, may I say I had intended to call the Supplementary Estimates, but I shall do that tomorrow afternoon.

It has been drawn to my attention in the last few months that the hon. Prime Minister Hicks, of Nova Scotia, has made a statement relative to a letter which he received from the Rt. hon. Prime Minister of Canada, and which I have also just received. In view of the hon. Mr. Hicks' statement, I think I should make a statement at this time.

The Rt. hon. Mr. St. Laurent's letter which he states will be tabled tomorrow, was obviously made public by hon. Mr. Hick's statement in Nova Scotia. The letter commences:

Since our meeting on March 9, my colleagues and I have given further consideration to the particular points raised there.

Then, the letter goes on to state, in the main, that they are considering raising the floor in the proposed agreements from 90 per cent. to 95 per cent. The plight of our province apparently has neither been given further consideration, nor is it apparently considered as one of the principal points raised at the conference. The sum total of Rt. hon. Mr. St. Laurent's letter is that no consideration is given to the fact that Ontario is not getting a square deal. I should say no consideration is given to the fact that Ontario is not getting enough of its own revenues from the fields in which, by The Act of Confederation, it is entitled to share equally with the federal government.

I would say furthermore that in Rt. hon. Mr. St. Laurent's letter, he raises the floor from 90 to 95 per cent.

MR. MacDONALD: On what?

HON. MR. FROST: That is on the basic proposal of the federal government, made last April, and again last October.

I am not interested in the floor. I never have been. I am not looking for a floor under our revenues at all. What I have tried to impress upon Rt. hon.

Mr. St. Laurent, and the Ottawa hierarchy, and the people, is that I am interested in the ceiling. I want head room for our great province, which is not receiving a single solitary cent from the federal government under these new proposals.

I am not asking that it should receive a single solitary cent from the federal government. This province is not only not receiving a single solitary cent, but is helping to pay for 9 others. What we are asking for—and this is where Ottawa completely misses the point—is justice and fair play for our province of Ontario.

I should say we are not getting a fair share of what is our own. We are asking for nothing except what is our own. At no time in these conferences did I ever ask for a floor, and I do not ask for one now. I simply ask for a fair share from the fields that the Fathers of Confederation and The Act of Confederation gave to our province. I ask for nothing more.

I might say we are perfectly prepared to take care of any hazards in connection with revenue ourselves. We ask for no floor, and we have never asked for it, and if that is the consideration given to the principal points raised at the conference at Ottawa on March 9, the federal government has completely lost sight of, and completely failed to recognize, the just needs and requirements of the province of Ontario.

Hon. Mr. Frost moves the committee rise and report progress.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

MR. J. F. EDWARDS (Perth): Mr. Speaker, the Committee of Supply begs to report progress, and asks leave to sit again.

Report agreed to.

HON. MR. FROST: Mr. Speaker, I have a letter from the Rt. Hon. Prime Minister of Canada, dated March 19, which I desire to table.

Hon. Mr. Frost moves that notwithstanding the provisions of rule 2 of the Assembly, this House will meet at 2 of the clock each day, excepting Fridays, for the remainder of the present session.

Motion agreed to.

HON. MR. FROST: That includes tomorrow, Mr. Speaker.

In moving the adjournment of the House, tomorrow afternoon we will complete—or perhaps I am too optimistic in saying that—we will proceed with the Estimates of The Department of Labour, and then with the Supplementary Estimates, agricultural legislation, and the Estimates of The Department of Agriculture; Bill No. 99, and continue the debate on the Budget. There will be a night sitting tomorrow night.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 5:05 of the clock p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Wednesday, March 21, 1956
Afternoon Session

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

WEDNESDAY, MARCH 21, 1956

2 O'CLOCK P.M.

And the House having met.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Motions.

Introduction of Bills.

THE LIQUOR LICENCE ACT

Hon. G. H. Dunbar moves first reading of Bill intituled, "An Act to amend The Liquor Licence Act."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, the purpose of this Bill is to assure that the electors of a municipality, with a population of 50,000 or over, have the right to vote in regard to dining room and lounge licences in such municipalities. The solicitors of the department feel that in the 1951 Act, there was a little slip, in that, that any municipality with under 50,000—49,000 or 48,000—could vote on it, but if there were over 50,000 they could not. Therefore, we want to amend it to provide that any such municipality may vote.

THE PLANNING ACT, 1955

Hon. W. M. Nickle moves first reading of Bill intituled, "An Act to amend The Planning Act, 1955."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, the purpose of this amendment is to permit school teachers to be members of planning boards.

MR. SPEAKER: Before the Orders of the day, I would welcome to this Assembly 4 groups of students: Ryerson Senior Public School, Hamilton; Clinton Street School, Toronto; Glen Park Public School, Toronto; and Lanor Public School, Etobicoke.

Presenting reports by committees.

CLERK OF THE HOUSE: Mr. D. J. Rankin, from the Standing Committee on Municipal Law, presents the committee's second and final report, and moves its adoption.

Your committee begs to report the following Bill with certain amendments:

Bill No. 88, An Act to amend The Assessment Act.

(signed D. J. RANKIN,
Chairman

Motion agreed to.

TOLL ROAD COMMITTEE'S REPORT

MR. J. P. ROBARTS (London): Mr. Speaker, I beg leave to present an interim report of the select committee of the House appointed to study all matters relating to toll roads, and move its adoption.

Mr. Speaker, this interim report which has just been tabled will be distributed to the hon. members immediately. It is not my intention this afternoon to read the report, but there are certain rather fundamental observations which I would like to make in connection with the work of this committee over the past 6 or 8 months.

I would like to make some comments upon the procedure which was followed by the committee in arriving at the conclusions and recommendations, and also to deal briefly with those conclusions and recommendations.

The committee was re-appointed in September of last year; it was faced with a very great task indeed. It seemed to us the fundamental point regarding toll roads had to be the highways and the needs of the motorists of this province. Figures have been quoted in this House on several occasions within the last 6 or 8 weeks as to the increase in motor vehicle registration. The official figure for motor vehicles in 1955 was 1,614,056, which is an 8.5 per cent. increase over 1954. I think we may anticipate a continuing growth at approximately the same rate.

The increase in the mileage per vehicle in the province is set out in table 3 in the report, in case any hon. member may care to refer to it. That table shows a continuing increase in the miles travelled per vehicle in the province, with an approximate levelling out in 1975.

We also have to take into consideration the tremendous increase in the trucking industry, which is of increasing importance to the economy of this province. On page 12, there are some statistics dealing with the increase, particularly of the heavier vehicles, which are carrying loads 8 to 10 times in excess of what were carried even 15 years ago. This increase in truck traffic, in the number and in the size of trucks, has a very definite bearing on the cost of highways, because our highways must be built to an ever-increasing standard, in order to carry and bear this truck traffic.

The trucking industry also must be considered in terms of its effectiveness, and the job it is doing for the industry of the province. There are many municipalities which are dependent entirely on the trucking industry, and its position, I feel, is sometimes under-estimated in the economic life of our province.

Another matter which is of great concern, as far as highways are concerned, is the tremendous increase in commuter traffic. People now want to live where they want and if they have to drive 20 or 30 miles, in order to do so, they demand a higher standard of road to make travel easier and more comfortable.

All these things lead to increased costs and perhaps, if the problem can be simplified at all, the simplification could be started right there. Our highways are costing more and more every year, because the people who use them are requiring and demanding a higher standard of highway.

On page 13 is set out the highway needs of Ontario for the next 10 years. These figures are, indeed, extremely interesting. They show a present backlog amounting to approximately \$920 million. That backlog of construction is what would be required to bring our present highway system up to a tolerable standard today.

Projected into the future, our requirements for the next 10 years have been estimated as \$360 million. These figures have been prepared by The Department of Highways, so hon. members can see we are facing a financial problem of some magnitude, as far as highways are concerned.

We examined these various factors, and incorporated the information in the report, so anyone reading it can see the figure upon which we draw our conclusions.

Our next move was to go to the United States, to examine toll roads which were actually in operation. We visited the New York Thruway in New York state, the Garden State Parkway in the state of New Jersey, the New

Jersey Turnpike and the Pennsylvania Turnpike. We examined very closely the history of these various roads, their financing, the method by which they were operated, and dealt at some length with the administration, and consulted with those we thought could give us some idea of the political implications involved in establishing this type of highway.

I would consider myself very remiss, if I did not at this time tell the House about the very gracious reception we received from our American neighbours. Without exception they were prepared to give us all the time needed, and made available to us what I would consider to be reasonably confidential documents. They were frank and honest with us in all respects. I feel a word of appreciation is necessary, as this is the second committee, on which I have served, in which we have turned to various states of the union for some indication of their experience. In both cases, our reception has been magnificent.

While we were in New York City, we spent a day with the firm of Eastman, Dillon and Company, and once again our reception was everything we could wish for. They explained to us very carefully the various methods of financing which had been used by certain toll facilities in the United States.

Mr. Speaker, as a result of our background study of traffic needs, and of our trips to the United States, we found 5 basic reasons for toll roads. These 5 reasons are reproduced on page 20 of the report. These 5 elements we found were common to all toll roads, in one way or another. No one road necessarily has all 5, but they are the basic reasons for the creation of toll roads.

The reason we have listed at the first is that the government of the jurisdiction concerned did not feel it was in the public interest to increase motor vehicle taxation sufficiently to obtain the necessary revenue to build urgently required controlled-access expressways or high-cost bridge facilities. In other words, there simply was not enough money available from the tax revenues, at that

moment, to carry out these very expensive road constructions.

The one we have listed as No. 2 is that in some jurisdictions there is a great deal of out-of-state traffic, which passes through a jurisdiction, uses its roads and facilities, but pays no tax in that state unless they happen to stop to buy gasoline and thus pay gasoline tax. By constructing a toll road, there is extracted from the person using the road, part of the cost, which is, in my opinion, a just and equitable proposition.

Another basic reason for toll roads is, as we have discovered — and I think is applicable to Ontario — is because of the great backlog of highway construction to be completed, resulting from many factors. The war definitely had a very great deal to do with it, and this tremendous dynamic thing which is the motor car has also had a great deal to do with it, because we are barely able to keep pace with our present requirements, much less move into the backlog.

The fourth reason has to do with our municipal and township roads. We have a great demand in this province, as have many of the states of the union, for increased assistance to municipalities for taking care of their local traffic problems. You can only spend a dollar once, and if you spend it on point "A," you cannot spend it on point "B."

The fifth reason is that we discovered in the United States — although it is not applicable to this province — that in some of the jurisdictions the tax revenues from the motorists, through registration fees and gasoline tax, were being diverted to purposes other than the needs of the driver himself. We found the main spots of diversion were in education and welfare which, of course, are pressing problems elsewhere. That is not true about this province. The committee conducted a fairly intensive study of the financing of our highways in Ontario.

I would like to pay tribute at this time to Mr. Brown and Mr. Clark of the Treasury Department. They supplied the information we wanted, and I

believe they spent a great deal of time and effort in compiling, correlating and tabling it in the form in which we wanted.

We did ask for figures showing the amount we were spending in Ontario; what amount was being raised by the motorist and the amount being spent on roads in this province, which was taken from the general revenues of the province.

Table 6 on page 25 shows our results in the simplest language possible. We have arrived at a percentage figure of the total amount spent on highways in the province which actually comes from the motorist. In 1955, that amount was 69 per cent., which is the highest it has ever been. Over the period 1947-1955, the average was 65.6 per cent. I do not think that figure has ever been worked out before by anybody, for anyone in the province and I think it is a very significant figure.

It does show that the motorist has been carrying a great deal of his own weight, but he certainly has not been carrying it 100 per cent. In assessing whether it is proper to impose another type of toll or tax on him, I think that figure has significance.

Just to complete the picture, we also spent a great deal of time studying written material we received from various states. I might name two in particular, California and Maine. But in both states and jurisdictions we found we always had to relate the information back to the peculiarities of this province, geographically and financially.

In appendix "C" on page 41, you will see a list of names of various people who appeared before the committee. I would like to express the thanks of myself and the members of the committee to the people who took the time to prepare briefs, many of them very searching briefs, and who appeared before us and contributed the benefit of their experience. Without that type of information I do not think we would be able to do a proper job. Some of the delegations were in favour and some opposed, but

we did receive a definite contribution from everyone who appeared.

We arrived at certain general conclusions which are set out on page 22. I will refer to these briefly, because there are other hon. members of this committee who will take part in this debate, and I think will develop them more fully than I, but I would like to mention them in passing.

There is no engineering or traffic advantage in a toll road. A toll road is simply a road upon which a toll is paid. It has no effect on the road itself. It may be just as well constructed as a freeway, but it can be a toll road.

Second, toll financing is nothing more than an expedient to permit jurisdictions to build expensive roads and structures with the least amount of inconvenience, and also, probably, at a time when they are needed, rather than at a time when money is available.

Third, the toll method of financing permits you to build a complete system early, perhaps when the costs are less, and it can be built as a unit.

I think the New York Thruway is a glowing example of that. It is some 400 miles long and was built as one major undertaking. There is no doubt about it, there are large stretches of the New York Thruway which do not carry enough traffic to justify its construction, nor to pay for it. On the other hand, there are other portions of that highway which carry a great deal more traffic than is necessary to pay for their particular section in which there is heavy traffic. If the whole thing is built as a unit, there is a complete road, which is integrated into the roads' system, and that, of course, has many advantages.

Fourth, all toll roads should be planned and constructed to form an integrated part of the entire provincial highway network. That means they have to fit into the over-all highway picture. It is impossible to say we will build a toll road from "A" to "B", unless we assess its effect many miles on either side of both "A" and "B."

We also came across the fact that the tax system on motor vehicles as such is going to require constant revision as the years go by. The automobile industry is very dynamic, and is changing very rapidly. For instance, the development of the diesel truck, using a cheap type of fuel and travelling long mileage, may require some readjustment in the system of taxation for that type of truck. However, I think this has been looked after.

There are possibilities with all sorts of things. I understand there are experiments being made with turbo engines, and so on. In order to keep the tax base fair as far as the automobile is concerned, the entire tax structure, as it concerns the automobile, will require constant study.

As was already mentioned, one conclusion at which we arrived was that the demands for better roads are ever increasing and will continue to increase. The problems that we are setting out today to solve are not problems which will evaporate in the course of time; in fact the opposite is true, they will continue to get worse.

We must face the fact that a toll facility is more expensive to construct than is an ordinary highway, because more expensive facilities are needed for collecting the tolls and, of course, the number of accesses has to be limited: these in many cases, require more expensive cloverleaves, underpasses and overpasses.

Another general conclusion to which we came was that our present financial system is not producing enough money to look after our highway needs. This can be remedied by an increase in the gasoline tax, I suppose. We are asking this House to accept the principle of the toll road as a method of raising further funds for highway construction.

We also have reached the conclusion that in the event of any facility which is to be built as a toll road, a complete feasibility report would be required. These feasibility reports are much beyond the ken or scope of this committee to deal with. They are very extensive,

they require the employment of skilled traffic engineers and take a great deal of time to prepare. There are a great many traffic counts necessary. Economic factors have to be considered, and of course, as I say, it is beyond this committee to even attempt to estimate what the answer might be, if the matter were studied and a feasibility report prepared, but that does not mean they are not necessary, because they are.

It is the only basis upon which we can proceed, and is the only sound method of assessing what revenue a toll road might produce.

We also considered — and came to a general conclusion regarding — the position of the federal government in the over-all picture of highways in this province. We came to the conclusion that they should play a larger part in the financing of our highways than they are doing today. There is no doubt about that, and there is also no doubt that our municipalities need assistance. Our roads are very important from the point of view of the national economy and also from the point of view of national defence.

In addition, there are literally vast sums of money being collected by the federal government from the motoring public, by way of sales tax and so on, none of which is being turned back to the province, with the exception of the Trans-Canada Highway.

While on that subject, that highway may be a very nice thing to have in this province, but there are many highways we need a great deal more.

On page 28 of the report you will find the recommendations, 6 in number, we are asking you to accept. I will read these for the record:

“1. That the Legislature accept the principle of a toll method as a practical system of financing the construction and maintenance of multi-lane controlled-access highways and urban expressways and special high-cost structures, such as bridges, causeways and tunnels.”

I think that speaks for itself. We feel, in principle, this method of financing should be accepted and implemented where it is feasible.

"2. That the feasibility of each project be considered through an impartial study by experts of detailed data on actual and predicted traffic volumes and construction costs. A calculation should also be made of the contribution to the economic development of the province generally and the social advantages to all our citizens."

That simply means we want all these projects to be studied from a business-like point of view, with no extraneous considerations whatsoever, other than the question: will it pay, and if so, how much?

"3. That consideration be given to the basic contribution of each project to the province generally and that the possibility of a portion only of the capital cost of any project being financed and amortized through the imposition of a toll be considered."

Mr. Speaker, that is quite a departure from the general thinking on toll roads. In the American jurisdictions we visited, they are of the opinion if the whole project would not support itself, it should not be built. We are of the opinion that position is too inflexible, as far as our province is concerned.

There are several reasons for that, and from the very practical point of view we might say some assistance is better than none. If you have to build a road anyway, and you want to recover some of the costs, perhaps it is better to collect some of it, rather than not build the road because you cannot collect it all.

The basic point — which to me is more important — is the contribution which these multi-lane roads make to the economy of the province generally. The officials of the New York Thruway pointed out to us they could point to \$150 million of industrial development which had been constructed in the first full year after the thruway was built, and they could relate that directly to the fact that the thruway was there.

These roads, in some respects, are similar to that of the railways in the latter part of the last century, and the early part of this. Where these roads go, so goes industry. It is only necessary to drive from here to Oshawa to see that point illustrated in our own province. It could probably be seen by driving up highway 400. We felt some consideration should be given to the effect on the province as a whole, when considering charging a man for the privilege of using what is a premium-type facility.

"4. That any facility which is subject to a toll charge shall become free when the payment of the facility has been completed, including the government contribution."

I think that is self-explanatory. These toll roads are not constructed to produce revenue for any other purpose than to pay for themselves, and once they are paid for, they should be made freeways.

"5. That no consideration be given to the construction, operation and maintenance of toll roads in the province by private companies."

The reasons for that are not too hard to find. We feel these roads, if constructed, should be part of our over-all system, and if they are going to be properly part of that system, they should come under The Department of Highways. In addition, I doubt that any private company could build a toll road in this province without asking for provincial expropriating power to secure rights-of-way, or some kind of financial guarantee of securities.

Of course in our opinion there is no point in the province participating to that extent, and then allowing somebody else to operate and control the road.

"6. That a commission or board be established as the authority to conduct the necessary investigation outlined above and to administer any toll facilities established in the province, such commission or board to report to the Minister of Highways."

We feel this is large enough so that it should come under a separate type of authority, but in order to make sure that any such facility is tightly tied in with our present roads system and needs, there should be over-all control by The Department of Highways, which is responsible for all the roads in the province.

Mr. Speaker, those are the recommendations we are making. Finally, we are asking this Legislature to permit us to sit again after the session, and continue the work we have been doing.

I might say that we have worked our way through a great deal of material, and hon. members will notice in the report that we have come to certain general, but nevertheless specific, conclusions. If these conclusions are acceptable, there is another part of the job yet to be done. We would like to move into the various parts of the province, where toll roads might be considered to be established, to permit the people to come and tell us what their thinking is.

Literally, we have not had time to do that. We have used all the time available since we were appointed to arrive at the conclusions. If the conclusions are acceptable, we will move on and complete the job, and we are asking to be reconstituted.

Before concluding, Mr. Speaker, I would like to pay tribute to the hon. Minister of Highways (Mr. Allan), and the officials of his department, particularly to Mr. Fulton, the director of planning. His assistance was invaluable; he gave us a great deal of information; he was frank, and told us exactly what he thought. He travelled with us in the United States, and we found his guidance invaluable.

I would also like to pay tribute to Mr. Macnee, who is the traffic analyst in the department. Some of the figures he produced were astounding but interesting, and have tremendous implications.

I believe I have already mentioned the department of the hon. Provincial Treasurer (Mr. Porter). Mr. Brown and Mr. Clark did a terrific job in

gathering together matter for our fiscal consideration of this problem.

I would like to say a particular word of thanks to Mr. "Don" Collins, who acted as secretary of the committee. He looked after us in every possible way, and is extremely capable, and did a tremendous amount of work in sorting out the information submitted to the committee, and has had a very great deal to do with the construction of this report.

MR. D. MacDONALD (York South): Mr. Speaker, I understand we are to proceed at this time with the debate and discussion of this report, and I would like to say something regarding this very complicated and exceptionally important problem, with which we are now trying to come to "grips."

May I dispense with some of the formalities in connection with this question of the select committee, and I want to do it in all sincerity, which is possible even though they are just formalities.

I would like to congratulate the chairman and the secretary of the committee for the pleasure of working with them, and under their direction.

I will not say very much more than that about the chairman of the committee because, if I laud him to the skies, it will be "thrown in my face" when I go into his riding to try and defeat him at the next election.

MR. DAVIES: Oh oh!

MR. MacDONALD: The hon. member for Windsor-Walkerville gets so unhappy so easily.

The secretary of the committee is a graduate of Queen's, and one would expect him to do a good job, and I suppose the hon. member for Ontario (Mr. Dymond) would also say he is not only a graduate of Queen's, but has not strayed from the traditions of the old Alma Mater, in the way some others have done.

I would like to add, to the comments of the chairman of our committee, my thanks to the various departmental

people, the Treasury and other departments—particularly The Department of Highways, and the director of planning and the traffic engineer, who sat with us a great deal of the time, and, as the chairman has indicated, periodically produced what was little short of astounding information as to the present and future needs of the province with regard to highways.

Mr. Speaker, this committee presented a unanimous report, but I think I would be less than frank if I did not put this position, that it is a unanimous report only because the committee had reached a stage of its deliberations, which is incomplete, because this is an interim report. We were able to achieve unanimity only by accepting the principle that toll roads represent a means of coping with the financial needs for the development of our highway system, and its future development.

I emphasize this for the simple reason that, until the present time, I must say to the House my conclusion is such that I am not in favour of toll roads. I do not necessarily state that is the conclusion with which I will always live.

To underline that, I may say that a year ago when most of the information we had on toll roads in this province was what was gleaned from the *Globe and Mail*, because of a campaign—it might be considered as a campaign—it had launched in favour of toll roads, and at that time I was partly convinced that toll roads were the answer.

Because of the intensity of that campaign, a bit of a counter-campaign developed, and the other side appeared in papers like the *Financial Post*, which normally does not dispute anything appearing in the *Globe and Mail*, but from that we got the other side of the picture, and I found myself swinging back to a feeling of doubt in regard to the feasibility of toll roads.

I have rarely studied an issue that I went into with such an open mind, and in this instance, my mind is not yet closed, though I have come to the conclusion, for the moment, that toll roads are not necessary. From all the infor-

mation we gleaned in the activities of this committee, I want to raise that which I think is essential, to document my conclusion at the moment that toll roads are not necessary.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Speaker, I do not wish to interrupt the hon. member, but I would like to say that he was not in favour of toll roads, yet the main and motivating recommendation, No. 1, reports that the committee is in favour of toll roads.

MR. MacDONALD: I recognize what the hon. leader of the Opposition is seeking. I agreed that the principle of toll roads was a way to finance the highway system, but there are many other ways of doing it, and what I want to suggest in my remarks this afternoon is that there are better ways of developing the system of highways than by toll roads.

If the hon. leader of the Opposition will read farther, he will note we accepted the principle as being one way of dealing with this, but the committee did not recommend any specific toll road, because its conclusion was that this principle should be applied to each specific case. It will be applied through a feasibility report, and in the light of that feasibility report we can then decide whether or not the principle is applicable in that particular instance.

My general conclusion, Mr. Speaker, is that while toll roads may be a way and means of meeting the highway situation, it is not economically the most equitable way of coping with the real problem, which basically is financial.

So my first objection is that it is not economically the most equitable way of doing it. Secondly, I do not think it is politically a feasible proposition. I will try to document both of these objections.

First, with regard to the economics of toll roads, let me underline one statement the chairman of the committee has made, namely, "that there is not any particular advantage in toll roads, over freeways, of comparable structure and facilities."

I think I can perhaps make this point, if I quote one paragraph from one of the briefs which was presented to this committee by the Ontario Motor League, the Ontario Automobile Association, and the Canadian Truckers Association, which presented a joint brief. In that, we will see:

Tollways cost more to finance, to build, to operate, to maintain than comparable controlled-access freeways. They cost more to finance because revenue bonds cost more to sell and service than government bonds. They cost more to build because, among other things, toll houses must be provided. They cost more to operate because toll houses must be manned, and separate policing is essential. They cost more to maintain because separate way and vehicle servicing crews, with requisite vehicles and equipment, must be continuously available.

In other words, there is no particular advantage in toll roads over freeways, but there is this disadvantage, that toll roads on every score will cost more.

The second point I would like to make in regard to the economics of toll roads, is this: I think the basic principle generally advanced, on their behalf, is the principle that the users should pay, that if we are to have high-premium roads, you have the advantage of being able to go more quickly, more safely—although sometimes there are arguments, particularly on the safety feature—and that the users should pay more.

I think there is a great deal of validity in what was advanced jointly by the Motor League and others, and advanced in part by some other associations which made representations to the committee, that this principle is not necessarily a valid one, but a much more valid principle is that those who benefit from the road should help to pay for it.

Those who benefit from the road are not just those who use it. For example, from our figures—and I have not been able to get them at my fingertips, but

hon. members who read the report will see them—that up to the present time, about 60 per cent. or more of the revenues from our highways goes to maintain and expand the programme. At the present time, we are getting a little bit beyond that, and now new revenues will have to be found.

I want to emphasize this point, Mr. Speaker, that I think we have reached the point where we must recognize the fact that the automobile owner is, generally speaking, “a little fellow.” There was a time, not so long ago, when the automobile owner was considered a plutocrat, and was an exception in a community. That is not the case today. There are today 1.5 million owners of motor cars in the province of Ontario, and we can almost put Ontario on wheels. The projected estimate is that within a few years, there will be one automobile for every two persons.

Not only are the present owners “little fellows”, but I think it can be stated without fear of contradiction that they are perhaps the most taxed individuals in Canada today. The automobile owner pays, first by way of excise tax on the sale of the vehicle, and the sales tax at the manufacturing level. He is taxed by way of licences fees, and also by way of the gasoline tax. If hon. members will consider such taxes I think they will come to the conclusion that if the automobile owners are not the most, they are one of the most, taxed groups in Canada. I do not think the “little fellows” who are at present so heavily taxed should be “soaked” with another tax. I think that is a basic principle to be remembered.

The question is—who are the others who now benefit from highways, particularly from the super-highways which are being constructed, or the 4-lane, controlled-access highways?

There are two groups which benefit. One of them is the truckers. I know this is a very controversial issue, and I hope I can state my point without getting into controversy this afternoon. I know the trucking associations in Canada and the United States have the most effective

and active lobbies in existence; any time there is any increase placed on the truckers, there is a howl to high heaven, which catches the attention of the public.

But I want to draw to the attention of the House the figures which were given to us that, in the state of California, 52 per cent. of the cost of those new, modern highways arises from meeting the needs of 4 per cent. of the traffic on them. In other words, 52 per cent. of highway cost goes into highways to be built to meet the loads of 4 per cent. of the traffic — these huge trucks travelling on them.

I want to pause for a moment, and let us dwell upon that, and let it sink in. I should interject here, Mr. Speaker, that this question was put to our highway experts in the toll roads committee, as to whether that kind of thing would likely be true in the province of Ontario, and they stated that no study had been made, but in their experienced opinion there was no reason to believe the situation would be any different here.

If that is the case, here is the simple fact of the matter: these super-highways, so-called, which we are building today cost twice as much as they might otherwise, to meet only 4 per cent. of the traffic, namely, the huge trucks. If that is valid — and I think it is — I cannot for the life of me see why there is not full justification for raising more revenue from these trucks. If we are doubling the cost of our highways to meet the needs of that small percentage, I see no reason for not taxing them more heavily whether they “howl” or not, because they are profiting from the road more than anybody else.

I did not have time to go into the details of this myself, but I understand that in the United States a new tax was pioneered in the state of Oregon whereby it was worked out, what they described at first, as a “ton-mile tax,” but which has now been revised, and is called a “weight-mile tax.”

I have an article here written by Senator Neuberger — who was a state senator before he was elected to the senate

in Washington — which appeared in *Harper's Magazine* in October, 1952. I will quote just one paragraph, to draw this matter to the attention of the House. He said:

The ingenious levy already has spread full-blown to New York and Idaho, and in modified form to such states as Kansas, Colorado, and Wisconsin.

In order to allay the fears of the hon. member for Wellington-Dufferin (Mr. Root), and perhaps a few other hon. members, I may say that in most of these instances, farm trucks were exempted from this tax, and also trucks below a weight of 4,000 pounds, but that the tax was designed to cover the heavier trucks which do most of the damage to our roads.

In this report on Oregon, Senator Neuberger makes this interesting statement:

This tax is as hard to hide from as the Canadian Mounties.

He goes on to point out that while this tax was pioneered by Oregon, it had spread to the states which I mentioned a moment ago.

When the matter was being considered in New York, and came before the state Legislature, it was sponsored by Governor Thomas E. Dewey, and I would like to quote a statement made by Governor Dewey, in which he said:

This Bill is being opposed by a powerful, highly-organized lobby, devoted exclusively to the purpose of preserving the extreme preference now enjoyed by the biggest trucks. This lobby is infesting the halls of the Legislature and putting inexcusable pressure upon individual legislators at their homes.

I will not go into the tax any further, Mr. Speaker, except to say that here is a matter which has been pioneered and perfected in Oregon, and has spread to other American states, as a means of raising money to meet the road needs, and raising it in accordance with the

principle that those who benefit from the roads should pay for them.

Another way of raising the money—and this takes us back to my present views regarding the equitable way—is out of the expanded consolidated revenues of the province, expanded from those who benefit from these roads.

The chairman of the committee, in his report, draws attention to the fact that in an astoundingly short period of a year or two, after the opening of the New York Thruway, industry developed along that thruway to the extent of \$150 million. That apparently is a common experience. As soon as a thruway is constructed, real estate values increase and industry comes in because of the servicing of the road, and a great deal of industrial development takes place because of the road.

Mr. Speaker, I would like to go back to the point, if I may, that the hon. member for Waterloo North (Mr. Wintermeyer) was discussing in his debate on the Budget, that today a great deal of our wealth is found in our corporate wealth, in business, and it seems to me that it is fair that we should raise money from the business interests which are profiting from that kind of highway system, and channel it through the consolidated fund back into the highway needs of the province.

May I turn to my second objection to toll roads, and that is the political one. One of the problems involved in toll roads is that the most obvious or appropriate roads in the province of Ontario at the present time, for tolling, are already built or projected. In other words, we have what is known as "MacKenzie's highway" from here to Barrie, a 4-lane highway. There is a highway, which, according to traffic counts, could pay for itself as a toll road. We have the Queen Elizabeth Way which is not, in my opinion, feasible for a toll road, for reasons which I will not go into now. We have the projected highway No. 401, which the hon. Minister of Highways has stated many times in the committee will not be

projected as a toll road. There is the problem. Most of the roads which could be switched to toll roads are either built or projected. The question is, can this government or any government, not only "can" but should they, switch existing and projected 4-lane highways into a toll road system?

May I refer to a comment of the hon. Prime Minister in the Committee on Health yesterday, when he was speaking about the educational problem involved in getting people to accept premiums for health insurance? He said this was "an educational problem, which would take a little bit of time."

HON. MR. FROST: I do not think I said "a little bit", I said "would take time."

MR. MacDONALD: Very well, I accept the correction. The hon. Prime Minister informed his own hon. members of the committee that he had no intention of pushing this **thing** forward, and arousing any antagonism in the province, that "Old Man Ontario" is not going to be treated in this fashion, and also assured Opposition members that he was not going to do it.

In other words, the political problem in pushing health insurance, if it was going to be assessed on the **premium** level, was one very much in his mind.

Deep down, I have a grave suspicion that for that very reason, any toll roads programme started by this government will take a long, long time, because the government would wait for a long time before it would switch existing 4-lane highways, which have been used for some years, or projected 4-lane highways, like highway No. 401, into toll roads.

The hon. Prime Minister shakes his head affirmatively so my suspicion has some justification, and I think with some validity, for this reason:

Suppose we build a road from "A" to "B" in another part of the province and toll it, and leave the highway to Barrie without a toll. In that case, people

who are going to pay the toll in one part of the province are going to object when there is no toll on the Barrie highway. They will think that one part of the province can support a toll road as much as the other. In other words, I think there is a great deal of validity in this political astuteness the government exhibits on the matter.

I want to suggest that, politically, I am not convinced that toll roads are a feasible proposition, because of the fact that we have gone so far in the construction of 4-lane highways that they themselves will pay for the building of toll roads.

Finally, Mr. Speaker, the obvious inference or retort which may be made to me, after what I have said, would be: "Now, that is fine, but we must build our highways. We agree we have to maintain our present highway Budget. We agree it is maybe necessary to expand our highway Budget to keep up with the phenomenal highway requirements in a province like this, but where is the money coming from?"

I want to draw your attention to two or three things in this report. In the first place, what is the nature of our need over the next 10 years? On page 13, table 4, you will find The Department of Highways from its experience, has set out what the nature of our needs are, and they "come up" with the fact that the total expenditures of the provincial government for the next 10 years for highways are likely to aggregate \$1,960 million in round figures. This is just a shade below \$2 billion for 10 years.

In other words we are going to have to spend, in the next 10 years, approximately \$200 million a year. I need not remind the hon. members of the House that this year we are planning to spend \$183 million, last year we spent \$176 million, or, at least, that was our Budget, and we came fairly close to spending it. I want to suggest to hon. members, while this is a staggering figure, if we analyze the size of that figure and the revenues we have, and are likely to have, the result is one which does not lead us

to the conclusion that we must resort to toll roads.

Let me try to spell that out; in tables 3 and 4, on pages 11 and 25, will be found these figures. In 1947, there were 6.3 billion vehicle miles driven in the province of Ontario, and during that year, with that number of miles, we secured \$44.4 million in revenue. For 1954, the number of vehicle miles had doubled to 12.7 billion and, interestingly enough, our revenue had almost trebled; it had risen to \$112.4 million.

In other words, the vehicle miles driven had doubled in the period from 1947 to 1954, and the revenues had come within reaching distance of trebling, not just doubling.

The next interesting thing is this: what is our present position with regard to revenues? The latest figure we have is the revenue for the year just concluded when we raised \$123 million in gasoline taxes, licences and related charges. If the normal increase continues we can expect that the revenue next year will amount to about \$133 million, because our revenues have been increasing by about \$10 million a year, and we can expect \$133 million for the year 1956.

In addition to that, we have increased the charge for car licences, and I believe I am correct that the estimated revenue, which will be derived from the increased cost of car and truck licences, is approximately \$10 million or \$12 million. Therefore, in the year 1956, we can expect to collect as revenue from normal sources, to meet our needs, about \$145 million.

In addition to that, over the last few years we have this controversial topic which we have discussed for some time, the highway reserve fund.

HON. MR. FROST: The money must come from the \$145 million.

MR. MacDONALD: Here I have to bow out in confusion, together with the government, as to where that money came from. I thought it was surplus from the end of the year which went to the highway reserve fund.

HON. MR. FROST: I think I would agree the hon. member is right. As a matter of fact, we have been over-spending the highway revenues, and should bring highway revenues in line with the highway requirements. To an extent, the hon. member for York South is correct in stating that the highway reserve fund is made up from other revenues.

In connection with the hon. member's other observation regarding the ton-mile or some comparable method, we have these matters under study at the present time, but it is a difficult administration matter. As the hon. member knows, the ton-mile basis is difficult to administer and may be a difficult way of dealing with the matter.

MR. MacDONALD: Well, Mr. Speaker, if I might project my estimates on what our revenue would be: let us forget about the highway reserve fund this year, and I think my estimate is fairly accurate, that we can likely raise about \$145 million from the normal revenue.

HON. MR. FROST: I think you are a little high on that figure.

MR. MacDONALD: Well, \$123 million this year, an average increase of \$10 million a year, the new tax revenue will be \$12 million, making a total of \$145 million. If my figure is a little high, it is not very much, and would be the approximate figure.

With the projected figures in the province of Ontario in the years 1960 and 1965, this 10-year period over which hon. members are trying to arrange their thinking in this respect, one can come to the conclusion — and this might be some encouragement to the hon. Provincial Treasurer (Mr. Porter) — that the normal revenues, from the sources we have used up until now, by the year 1960 are going to be close to \$200 million. They are increasing at the rate of approximately \$10 million a year and in 4 years will be \$40 million. We now have \$145 million, and it is going to be close to \$200 million by

1965. We will be receiving \$240 million.

What I would like hon. members to look at is that the statement of future needs, as given to the committee, is \$2 billion; this is for 10 years, or \$200 million a year.

HON. MR. FROST: Capital only.

MR. MacDONALD: No, that is everything. If the hon. Prime Minister will look at table 4, he will find this includes everything, in other words, that within 4 or 5 years from now, we will be receiving from our regular sources enough revenue to meet average expenditure for the next 10 years, and beyond 1960, we will exceed that average expenditure.

Some hon. members may say, "Let us put in toll roads for the next few years, because they will assist us to meet the need." This brings me to my final point—

HON. MR. FROST: I would suggest to the hon. member for York South that he is optimistic in his revenue calculations. According to him, our revenues would meet the requirements, but there is nothing to indicate that, in fact in the last 10 or 20 years, we have not been gaining on our capital, we are still continuing to add to highway debt. The trend in the next 20 years might reverse itself, but I doubt very much if that will happen. I think he will find that the requirements for extended highways, even on highways we have built, will far out-weigh any possible trend such as the hon. member mentions.

I am only pointing this out to the hon. member for York South, and I am very interested in what he says. As a matter of fact, I am interested in any intelligent survey of the problem. However, I would point out that he is probably just a little optimistic about it.

MR. MacDONALD: Mr. Speaker, if I am optimistic, I am only taking what the committee was supplied with, and what is in the report. In every instance,

the figures I have quoted are in the report. As to what we are going to spend in the next 10 years, page 13, table 4, it may be just a little below what it should be, and the officers of the department came to that conclusion, and that is the basis upon which we are working.

Let me try to make this point—because I think it is an important one—and that is, if we set up a toll roads authority to charge tolls, it is difficult to get rid of it. I know our recommendation is that once a road has been paid for, the toll will be wiped out, but I want to suggest that is easier said than done. That experience is already emerging in the United States on the Pennsylvania Turnpike which has been operating for 10 or 12 years. There is a great danger of establishing a toll road authority, which becomes a vested interest, and seeks to perpetuate itself.

As a matter of fact, we may find The Department of Highways may want it perpetuated, rather than having the expense of maintaining the highway “dumped” into their regular Budget, without a continuing revenue from tolls.

I draw your attention, for instance, to Pennsylvania, and I was very interested to learn from the discussions in regard to the Pennsylvania toll road authority that they are now considering building another toll road across northern Pennsylvania.

The toll road in southern Pennsylvania is the “grand-daddy of all toll roads” in the United States, but in the northern part of the state, they have an area which could be developed by putting a toll road through, according to their experience in past years, but it certainly would not pay for itself. So, what are they going to do? They are going to use the assets of the authority as the financial basis to build the road on a non-paying basis, a road which will not pay for itself. In other words, they are going to extend the toll roads system.

MR. J. YAREMKO (Bellwoods): Mr. Speaker, is the hon. member suggesting that the road, because it will not pay for itself, should not be built?

MR. MacDONALD: No, the sole point I am addressing myself to is this, if you set up a toll road authority, I think one of the things which happens is that conditions encourage it being perpetuated. When we visited the United States we found that some toll roads authorities are granted under their terms of reference—or whatever you want to call it—powers to continue operation after the road has been paid for; in other cases, they will disappear.

When we put the question to the authorities, for instance, of the New York Thruway, they said in their way of thinking it would probably disappear, but it is not specifically laid down and they would cross the bridge when they get to it. I think once you have set up a toll road authority, it is likely to continue, and will become extremely difficult to integrate it back into the regular road system, and into the regular Budget of The Department of Highways.

Mr. Speaker, there are some areas in the United States today where the Budget of the toll road authority is larger than that of The Department of Highways of the state. The proposition that a toll road authority may disappear and drop all this load back on The Department of Highways would mean they would just be stumped; they could not finance it. I think any department which is suddenly going to be faced with taking on an added expenditure for a road system, when the toll road authority disappears, will say, “Go ahead and look after it yourself.”

HON. MR. FROST: We found evidence in some states they were using ordinary revenues for highways in other ways, and getting their revenues from the toll roads.

MR. MacDONALD: That is right; this is a feature of rising gasoline revenues for other needs than highways, and does not apply here in Ontario.

Before I sit down, I would like to emphasize my conclusion at the moment, that toll roads may not be the answer. I would quote once again from an

authoritative journal—and I hope in this case it is an authoritative journal—yesterday's *Globe and Mail*, in which appears an article, headed, "All Is Not Gold in Toll Roads." It points out the fact that while some toll roads pay off handsomely, other have limped far behind engineers' rosy estimates. It makes this interesting comment, in line with our discussion, as to whether we should build a toll road from Fort Erie to Windsor, in relation to the toll road in Ohio which has been opened up. It says:

Drivers of the big rigs balk at paying as much as 12.4 cents a mile, compared to 1.2 cents a mile for motorists.

The article also points out that in the state of Michigan there is a violent battle going on, on the issue of toll roads, and they are taking a vote on the issue. It points out something which strikes me as being peculiar to American politics; they are going to take a vote, and one of the main agencies fighting against toll roads is The Department of Highways.

The article points out the Michigan Department of Highways regards toll roads with a jaundiced eye. They are saying to the toll road authority, "Go ahead, but if you do, we will string these little sections together into a nice freeway and then who will pay for the toll road?" While this battle is going on they are building little sections of freeway along the projected route of the toll road and are asking who will pay for it.

Quite frankly, this strikes me as being really "jungle warfare" introduced into politics, but there it is. This is the kind of battle which is going on now.

Finally, the *Globe and Mail* quotes from George McKelvey, who is head of a New York investment firm, specializing in toll road financing. He said:

To our regret, we have learned that not every turnpike is going to be a gold mine.

In conclusion, therefore, I think for economic reasons resorting to toll roads

is not the most equitable way to finance our system. From my very cursory analysis today of the finances we will require, the revenues we have, and the revenue projected, we could meet it except for a narrow gap which will fill itself from normal revenue within a very few years.

Politically, I expect this is an issue which the government is going to look at for some time. That is said by way of tentative conclusions from an interim study.

I agree with the hon. committee chairman that when, we visited the United States, we discussed this matter only with people who were in favour of toll roads. According to what I have quoted, there are some people not in favour. I think that before we come to a final conclusion, we should discuss the matter with some of those who are not in favour of toll roads.

We should also discuss it with people in the area where we might put toll roads, because we have discovered that the thinking of the people has awakened on this issue, since the committee began its proceedings.

I agree with the hon. chairman that we could not come to a definite conclusion. I have not come to one and if I am forced, I am going to be opposed to this, as I think there is an area to study before we come to a final conclusion.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Speaker, a number of years ago in the Legislature, I referred — and the hon. Prime Minister (Mr. Frost) perhaps will recall it — to the matter of toll roads in this way. It was at a time when the building of 4-lane highways was beginning to use a very sizable proportion of our revenue for highway purposes. I remember saying in this House that either we would have to assure ourselves that we were in possession of sufficient highway money, not only to build the 4-lane highways, but to do an adequate job of building the highways which were out in the country in the province of Ontario.

I remember saying on that occasion that if I were convinced that enough money was not available to do a good job in relation to both these highways, then I would be favourably inclined to a system of toll roads.

HON. MR. FROST: Mr. Speaker, the convention which nominated the hon. leader of the Opposition in 1954, as the Liberal leader, came out in favour of toll roads. It was one of the planks of that convention.

MR. OLIVER: Mr. Speaker, that is something like the hon. member for York South this afternoon — he is against them, although he must have been in favour of them when he signed the report.

To come down to the basis of the discussion this afternoon, I am not particular what declarations have been made, and by whom, in the past in this regard. I say to the House that the thing which will decide, which must decide, whether we need toll roads in this province or not, is simply the question of finance, as the hon. member for York South pointed out.

If this province is able financially to build a 4-lane highway and other highways throughout this province, then a great many hon. members are not in favour of moving forward into the realm of toll roads at this particular time. I say that definitely to the House this afternoon.

In the report, which I saw for the first time a few minutes ago, I imagine the set-up of a toll road is something like this, speaking financially, that the province will have to sign for the authority financially, that is, they will have to back the authority. That puts us in the position of creating another contingent liability.

It boils down to this: What is a contingent liability in relation to the credit of the province of Ontario? I am almost to the point now where I would say that if we have to back the bonds of a company to build toll roads, we might as well do it ourselves out of the consolidated revenue of the prov-

ince. The only thing which would restrict our contention in that respect would be that our credit was not ample to do the job which was to be done. We must have the credit if we are going to become a financial backer of the authority which builds the roads. Therefore, we might as well do the job ourselves.

Mr. Speaker, I do not know what more needs to be said on the subject at the moment.

I should like to make some reference to the committee's report. I was struck by some of the recommendations, particularly the first one. It says that the Legislature accepts the principle of the toll method as a practical system of financing the construction and maintenance of 4-lane and multi-lane highways. I suggest, when the committee asks this House to reconstitute the committee, there is very little need for doing so. They have already arrived at their conclusion, that the principle of toll roads for practical purposes in road construction has been accepted, and has been put in as a recommendation of the committee.

If that is the committee's feeling, and its recommendation, not very much can be attached to the suggestion that the committee should be reconstituted to continue to do that which they have already done, and upon which they have reached conclusions.

I am willing to be convinced, as on other matters; but my present thinking follows quite closely that which was very ably expressed by the hon. member for York South. I have a very strong feeling if the credit of the province is high enough—and I believe it is—it should be used to build whatever roads are necessary.

MR. A. C. JOLLEY (Niagara Falls): Mr. Speaker, I rise to add a few brief remarks to what has already been said so well. I would be remiss if I did not pay tribute to those who assisted in drawing up the report, to the hon. committee chairman (Mr. Robarts), the secretary, and to Mr. Sturgeon, who did a terrific job for us

in covering our meetings, to the civil servants and, of course, to our great American friends across the border for their very kind hospitality.

When the town of Fort Erie, in my riding, heard that this toll roads committee was to be constituted, the Greater Fort Erie Chamber of Commerce held a meeting and made a submission. I will quote part of it, as follows:

The general feeling expressed at this meeting was that such a toll road, to terminate at Fort Erie as reported under consideration by The Ontario Department of Highways, would greatly improve the already crowded highway facilities now provided by No. 3 highway between Fort Erie and Windsor. The fact that No. 3 highway could serve as a freeway for a nearby toll road appears as a fortunate circumstance.

Taking into consideration the report that some 300 new motor registrations are recorded each day in our province, it may be anticipated that automobile and motor transport traffic will increase from year to year over this popular short route from border to border in southern Ontario. Quoted herewith are official figures obtained from the Buffalo-Fort Erie Bridge Authority covering increase in traffic over the Peace Bridge during the past 5 years.

The number of commercial vehicles with destination on Queen Elizabeth highway or No. 3 highway in 1951 was 47,853 and in 1955, 96,094—just double the number.

It would follow, we believe, that if No. 3 highway is not augmented by the proposed toll road or the proposed new super-highway, surely the existing No. 3 highway must be modernized and reinforced to carry the ever increasing traffic.

It was observed that the unanimous comments made by members of Fort Erie Municipal Council, the warden, the Peace Bridge management and directors of the Greater Fort Erie Chamber of Commerce in expressing

our firm belief that the toll road could provide an urgently needed highway service through southern Ontario at a minimum cost to Ontario taxpayers.

Too, it may be pointed out that the Peace Bridge, with its surplus capacity, provides a direct link between the New York Thruway and Fort Erie. This fact, along with the well established brokerage facilities and complete customs house service, here at the eastern terminals of the Queen Elizabeth Way and highway No. 3, make Fort Erie the best eastern terminus for the proposed toll road and/or the proposed new Ontario super-highway.

Mr. Speaker, having read that, I do not intend to get into any wrangle this afternoon with the hon. member for York South (Mr. MacDonald). I point out merely that this committee brought in a unanimous interim report, asking to be reconstituted for the purpose of visiting such places as Fort Erie and other parts of the province, to inquire into the feasibility and advisability of toll roads.

In conclusion, I endorse the report and respectfully suggest that the committee be reconstituted.

MR. J. AULD (Leeds): Mr. Speaker, I would like to comment just for a moment on one particular phase of the report, particularly the second and third recommendations.

Before doing so, I would point out that I was most interested to hear the hon. member for York South in his comments this afternoon. I would like to take issue with him on a couple of points he raised about the so-called disadvantages of toll roads.

The hon. member mentioned the matter of finances. In our discussions with some of the Treasury officials and Canadian bond houses in Toronto, we dealt with the case of a commission or a private company or other organization set up to finance one of these projects. There is no doubt they would pay a higher rate. On the other hand, it seemed to be fairly well agreed in

the committee—and our recommendations bear it out—that such a case would not occur, as it would be necessary to have some sort of government guarantee. My recollection is that the answer to a question I asked was that, if the province has to build a highway and is financing it as we are doing, partially out of revenue and partially out of credit, if there were a revenue feature attached to that, the chances are that the interest rate would be lower. We had a discussion on that one point.

In regard to the question of the building being done at a higher cost, that is true under certain types of operation. There are other factors, however, which will offset that. In some cases, might not the toll facilities be cheaper than the freeway facilities because of the fewer number of intersections, and instead of the toll barrier being off the highway, there be one on the highway?

I know that in certain instances the toll facility might be more expensive, but I think the hon. member for York South will agree that in certain circumstances it can be cheaper. As far as the operation cost is concerned, there is definitely a higher maintenance cost, because of the personnel necessary to collect the tolls. I think the actual maintenance costs could vary between 1 and 5 per cent. In regard to policing, if you consider the Queen Elizabeth Way and the Barrie highway I cannot see where there would be any difference. As far as tow trucks are concerned, that is one of the premiums which that type of road brings, and the users would, in effect, pay for it.

To get back to the recommendations, I feel that the most interesting thing about the report was these two recommendations, Nos. 2 and 3 which, as the hon. chairman pointed out, give a new approach to this type of problem. It seems to me that previously the greatest complaint about toll roads was the effect of double taxation. A person who drives a car pays a tax on the gasoline, and then has to pay an additional charge to drive on the road, yet no use of the gasoline revenue was made for the construction of it.

We were told, and it is quite obvious, that a controlled-access multi-lane highway, whether or not it is a toll road, costs from 4 to 6 times more per mile than a normal type of highway.

Another point is that an ordinary highway would carry the same traffic, although not as speedily, safely, nor economically.

It seems to me that there are many motorists in this province who will never have the opportunity, and who will never use the high cost highway. Consequently if a highway of this tremendous cost is being built they would naturally have a legitimate reason to complain that their tax money is being used to build not a road to carry traffic from "A" to "B" of the type they have, but a premium type road which they will never have the opportunity to use.

Hon. members might be interested in a little bit of information I came across from the state of Iowa. It was found that it takes approximately 10 per cent. more gasoline to drive on a gravel road than on a modern highway. That is something which ties in with the question of the same type of road throughout the province.

Another matter is that of maintenance costs which are 3 to 4 times higher per mile per year on a straight standard 4-lane road than on an ordinary road.

We heard about the opposition to toll roads by the American Automobile Association in the United States. I think that the reason for the opposition was the matter that has been touched upon by both the hon. member for York South and the hon. chairman, that the association was attempting to bring out into the open that in some jurisdictions the revenue was being diverted. I can think of one of them. We were not able to find out the exact figure, but it was suggested their revenue was in the nature of \$150 million a year and they were spending about \$30 million, the other \$120 million was being used for other purposes.

Frankly, I think the charging of a premium for a premium type of operation is a fair method, and I would take

issue with the hon. member for York South, who suggests that the present arrangement is not fair. I would say to him that we do not know at the present time whether or not it is fair, because there are no figures to back it up. However, I think we can be reasonably sure in cases like this that a person who has an opportunity to drive on a high-standard multi-lane highway is getting more for his 11 cents per gallon tax, than the person who drives on the ordinary road.

MR. MacDONALD: There are more of them, and therefore they pay for it.

MR. AULD: I think the hon. member is missing the basic point that no matter how many there are, they are still riding on a better road with more convenience.

MR. MacDONALD: Yes.

MR. AULD: The hon. chairman mentioned that the motorist in Canada is heavily taxed. Whether or not he is the most heavily taxed, I think all hon. members will agree he is heavily taxed. I would like to suggest to the House that the reason that we have to find some further source of revenue is a combination of two things: (1) the motorist is being taxed a great deal and I think it is perhaps undesirable to increase this tax, certainly provincial-wise. On the other hand, he has the form of exactly the opposite type of diversion of funds from that in the United States. The Dominion government revenues from motorists in excise, sales taxes and so on from 1930 to 1953 were \$1,770 million, and their expenditure in that period was about \$175 million. That means they were spending about 10 per cent. of the revenue which they raised from motorists on the highways of the country.

In the United States, the federal government subsidized in construction 50 per cent. of the approved state highways. I was interested to read the other day that the projected highway from the Pennsylvania border up to the neighbourhood of Gananoque and the

Thousand Islands Bridge will be built 10 per cent. out of state funds and 90 per cent. out of the federal government revenues.

They raise that from the 2 cent tax on a gallon of gas, but I would like to remind hon. members that the federal government in this country is collecting almost that much in sales taxes — almost 2 cents a gallon — and it is not going back to the motorist. As a motorist I would call that "highway robbery."

The Dominion government recognized the responsibility of highways years ago. As a matter of fact, in 1911 the Conservative platform included aid to highways. The Bill was introduced in the House and defeated in the Senate. In 1918, The Canada Highway Act was passed which suggested a 40 per cent. share of approved costs on provincial and municipal roads. So it would appear that the principle of federal participation certainly would not be a new one.

The question of federal assistance to the province, or perhaps more directly returning to the province some of its own revenue, has been brought up several times.

I would not suggest that this House would expect that we would get the assistance of which I speak, but I do think the hon. members should remember what has happened in the past and point out to the motorist the reason for some of the problems on highways we face at the present time in this province.

I think it can well be argued that the federal government has a great responsibility in this regard for matters of economics as well as civil and national defence. As a matter of fact at the 1953 convention of the Canadian Good Roads Association the commandant of the Royal Canadian School of Military Engineering said, and I quote:

It is obvious that Canadian roads must be greatly improved to support fully the needs for industrial mobilization and civil defence in time of war.

The book entitled *Taxes and Traffic*, published by the Canadian Tax Foundation, is in agreement when it says as follows:

Despite this limitation, it would seem that, as later suggested, the federal government has taken too modest a view of its responsibilities in the past, and should be prepared to be more active in the future in aiding the construction of further national road routes. There is no logical reason to exclude road and street projects from the simple philosophy that the federal government should foster development and other projects of national importance, and indeed they never have been excluded.

In conclusion, Mr. Speaker, I would like to say that in my opinion the highway revenues of this province are not sufficient. I think all hon. members will be interested to read the tables in the report which certainly came as a surprise to me on the matter of our expenses in the past.

It would seem to me that, without some other source of revenue, we are going to be falling behind instead of catching up in our highway programme. I think the suggestions and recommendations contained in this report are fair, and if we expect to get the multi-lane controlled-access highways which I think we all want, which are valuable to the economic growth of the province, then we are going to have to resort to some other form of raising revenue and the toll method seems to be a fair one.

In closing I would like to again mention that the present conception of a toll road is quite different from that of perhaps 30, 40 or 50 years ago. I think we will all agree, there has to be an alternate free route and that it seems fair to pay extra for the extra benefits of the facility. I do not think the province would be facing this problem if the happy highwaymen in Ottawa were doing their share, but since they are not it deserves a great deal of consideration.

MR. J. YAREMKO (Bellwoods): Mr. Speaker, in rising to participate in the presentation of this report, I would

want hon. members to know at the outset that I signed the report 3 days ago, and I am still exactly of the same mind. I believe the hon. chairman of our committee read recommendation No. 1, as follows:

That the Legislature accept the principle of a toll method as a practical system of financing the construction and maintenance of multi-lane controlled access highways and urban expressways and special high cost structures, such as bridges, causeways and tunnels.

I am puzzled to know how the hon. member for York South can subscribe to that principle, and then rise in his place in this House and say that he is against toll roads.

MR. MacDONALD: Mr. Speaker—

MR. YAREMKO: I am just saying I am puzzled.

MR. MacDONALD: May I explain it since the hon. member has asked?

MR. YAREMKO: It might be very clear in the mind of the hon. member for York South.

MR. SPEAKER: Order.

MR. YAREMKO: The hon. member said he was against the toll roads authority.

MR. MacDONALD: Exactly. I said, at the moment I do not think it is the most practical method of doing it. It is a practical method but I do not think it is the best one.

MR. YAREMKO: I am still puzzled. The hon. member for York South did suggest that one of the reasons which enables him to be "for" and "against" at the same time is because the toll roads method is not the most economic, in the sense that it costs more to collect dollars from the toll roads, than it does by other methods.

I suggest to the hon. member for York South that if he wants this Legislature

to subscribe to the most economic method of raising dollars for the building of roads, he should rise and state flatly that we should increase the taxes on everyone, because I am sure the hon. member for York South will agree that is the most economic way of securing revenue.

MR. MacDONALD: If the hon. member would read my Budget speech he would find it is not.

MR. YAREMKO: But whether it is the most economical method in the light of our whole economy is a completely different question. We do need roads and if it costs us a few more dollars in collection to provide those roads, I am of the opinion that a little more money should be utilized in order to have the roads, which, I am sure even the hon. member for York South will agree, are a very integral part today of our economic and social life.

The hon. member for York South did mention that those who benefit from the road should pay for it. There is a corollary to it, which is that for every dollar it costs a man to drive a car, he is personally entitled to a dollar's worth every time. One of the reasons why we find we cannot build the high cost high priority facility we require in certain areas is because this government is not area-minded, but provincially-minded, and because all of the people of the province of Ontario are entitled to adequate roads, not just those people in certain areas. That is the reason why the person who spends a dollar in a certain area gets as much for his dollar as in other places. I am sure, Mr. Speaker, that all of the people of Ontario want it that way because, as I say, we are thinking along provincial lines and not area lines.

I was puzzled when the hon. member for York South brought up the topic of the editorial, which he read, mentioning a feud between The Department of Highways and the toll road authority in Michigan. What puzzled me—and, of course, perhaps I should not tackle this problem because I have not even gone

as far as the hon. member for York South—but he has read an article, yet as to exactly what is going on in the state of Michigan, he does not know any more than I do, except what he read in the article.

MR. MacDONALD: That is right.

MR. YAREMKO: But that does not prevent him from bringing it up and building up a case. What puzzles me is that the toll roads authority must be convinced in its mind that a road is necessary.

MR. MacDONALD: And their Department of Highways thinks it should be built another way.

MR. YAREMKO: That it should not be built at all.

MR. MacDONALD: It should be built another way and they are building links of a freeway along with it.

MR. YAREMKO: Links of it, and they threaten they will not wait, but will build the whole road now. If the hon. member subscribes to that line of thinking, or thinks that will come into existence in Ontario, he is very badly mistaken.

MR. MacDONALD: I did not say that. I said it was "jungle tactics" and I was against it. Why does the hon. member bring out petty politics all the time?

MR. YAREMKO: That is completely unknown to me. The hon. member is an expert at that.

Coming to the question of Michigan and its piecemeal building, that is one of the difficulties, Mr. Speaker, with which we are faced today. If we only build in a piecemeal way, we are not keeping up with our highways.

We have done a tremendous job and anyone who has driven through the southern part of Ontario will recognize that, although he can travel through other parts of the province and find good roads, still in the heavily-populated areas

there are expressways — non-access 4-lane highways — being built. But for every piece which is built, it is true it will prevent a toll road from coming into existence.

Mr. Speaker, we have to make up our minds now or in the very near future that we will adopt and put into practice the toll road method, if it is feasible, or we must find some other way. Reference has been made to highway No. 400. I am of the belief, and it is true, that on that highway once it has been built, no toll facility could possibly compete with it.

Had we been thinking along the lines of toll roads 4 years ago, that was an area which I am sure everyone will agree would have lent itself to a toll-way facility.

The hon. member for York South in a simple method—whether he did it on the spot, or whether he spent some time on it—projected this House into the future to prove to us, in 5 minutes, that our revenues would be sufficient in the future to cope with our needs. If he had been wise enough to look a little into the past, he would have seen what our revenues have been.

MR. MacDONALD: I would rather look to the future.

MR. YAREMKO: Our revenues in the past 10 years have grown to the extent that he has projected for the next 10 years, and yet those revenues have not been sufficient to meet our demands.

The hon. leader of the Opposition (Mr. Oliver) put his finger on the whole problem that toll roads should not be considered if our present conventional method will supply our need, and hon. members will find that everyone who is opposed to toll roads will base his line of thinking on that. It is a statement with which one cannot quarrel, and as I pointed out to those who presented the brief, from which the hon. member for York South quoted, that in this connection, as it always is, appears the word “if”, and if the pre-

mise which follows the “if” does not stand, then we have to subscribe to the use of the toll method as a practical method.

Whether it is the sole method, I am not going to say. That was not the job of this committee in this particular case. Whether the hon. member for York South spent as much time on the Oregon situation as he did on the toll road committee I do not know, but he drew a premise from it. It may be that the weight-mile, and the ton-mile tax are things into which an inquiry should be made, but that was not placed before this committee. The committee was asked to find an answer to the question as to whether or not our present problem is due to lack of sufficient revenues, and whether “toll roads” are the answer, and the committee has come up with the word “yes.”

I would like to mention the line of thinking followed by the committee. “A toll road”, in the strict and stringent meaning of the word, means, “a road which will pay for itself out of the revenues it produces.” The line of thinking of the committee has been that the toll method be used to supplement the present revenues. We can carry on the building of our roads to a certain degree, building them up to a certain standard throughout the entire province, but demands were made yesterday, are being made today, and will be made tomorrow, which cannot be met by our conventional methods.

The hon. Minister of Highways (Mr. Allan) only yesterday brought to the attention of this House that the Toronto by-pass, in a period of two short years, is not the expressway it should be, and perhaps it should have had 6 lanes. How quickly the situation changes. Yet we built the best roads we could from the revenues we had at hand.

As has been pointed out, expenditures have exceeded revenues by some \$136 million, and, if we consider the fact that we have the interest rate of 4½ per cent. added to the accumulated debt from time to time, this sum is increased to more than \$500 million.

If the other hon. members of this House are concerned, as was the hon. member for Waterloo North (Mr. Wintermeyer), and the hon. leader of the Opposition (Mr. Oliver), about the reduction of the public debt, surely if our conventional method has created this public debt, we cannot follow the present conventional method with any hope of either reducing the debt or providing the highways the province needs.

There is no reason why, the basic standards having added to them high-premium facilities, the people for whom they are provided should not pay for them.

So I say, even if a feasibility report would indicate the road is not completely self-liquidating, if it shows a need of building a premium into the road, which can be paid for by way of toll, that, I think, will assist us in solving the highway problem with which we are faced today.

I would like to conclude by giving two quotations to the hon. members. Reading again from the brief, from which the hon. member for York South read, we see:

Is it not right and proper that each, to the extent that is practicable, should contribute to the cost of building, improving and maintaining good roads in proportion to the benefit he or she derives from their use?

I asked a question of those who presented the brief, as to where in that statement there was a practical method. I agree with the statement of Col. E. M. Needles, of the United States, when he said:

If they are opposed to toll roads, it is high time they came forward with a financial programme which is workable, practicable and acceptable to the public, and which will actually produce super-highways now, as surely and as extensively as has been possible through the modern toll turnpike.

MR. MacDONALD: You read my speech, and you will see I suggested how that could be done.

HON. L. M. FROST (Prime Minister): Mr. Speaker, may I point out to the hon. member for York South that, in his calculation, he does not include interest and servicing of a debt of some \$400 million.

MR. MacDONALD: You have not put it in the highway calculations up until now, throughout 80 years of provincial operation. You are asking me to do it, when it has not been done before, and the present government has not done it.

MR. YAREMKO: If the hon. member for York South is of the belief that the ton-mile tax is "workable, practicable and acceptable"—

MR. MacDONALD: Part of it. Part of the way of raising revenue from those who benefit.

MR. YAREMKO: The question, Mr. Speaker, is how big that part is going to play in the province of Ontario. I look forward with interest to hearing the hon. member tell this House to what degree that method will solve the problem facing us today.

MR. MacDONALD: The hon. Prime Minister has indicated he is studying it, so I look forward to hearing the results of his studies.

MR. SPEAKER: Order.

MR. YAREMKO: We are not saying that other things could not be suggested, that this is the only solution. We found it is a practicable solution, and one which will not only supplement the revenues of this province, but I firmly believe will bring about a solution of the problem.

I would like to bring to the attention of the House the conclusion on page 23, No. 5, in which it is brought to the attention of this Legislature that other things should be borne in mind. However, Mr. Speaker, I am firmly convinced that the use of toll roads as one of the solutions of our highway problem is inescapable.

MR. P. MANLEY (Stormont): Mr. Speaker, in rising today as a member of the toll road committee, first of all, I would like to pay tribute to our hon. chairman, for the very able way in which he conducted the proceedings of the committee, and I would also like to say that our secretary, Mr. "Don" Collins, has proved one who has done a tremendous amount of work on behalf of the committee, and I would like to join with the other hon. members in complimenting him.

Mr. Speaker, I am very happy that politics did not enter into the preparation of this report in the manner in which it has today, in connection with the presentation of this report in the House this afternoon. I think if politics had entered into it, as it has this afternoon, we would not have had a report ready to present to this House at this particular time. I think that would have been too bad, not only for the members of the committee, but for the people of the province as a whole, if we had not been able, after the work of the past several months, to at least present an interim report to the Legislature at this time.

Every member of the committee signed the report, in the belief that it presented something which would be of benefit, not to the hon. members alone, but to the province as a whole.

I think we have done a tremendous job, although I think all members of the committee will agree we did not have sufficient time. We did spend a few days in the United States, looking at the facilities there, but, as one hon. member has already said, we did not hear from the people who might have been opposed to toll roads in the United States. I do not think we went to the United States for the purpose of hearing representations from those who were opposed. We went to see the facilities and the operations, and see what they had in the shape of toll facilities in the United States.

I would like to point out to the hon. members of the House, for a moment, that they have an entirely different situation in the states to the south of us

than we have in the province of Ontario, because we found where there are toll facilities in the various states, they have a great deal of traffic going through from one state to another, and have areas much smaller than we have in Ontario, but in these smaller areas, they have quite a dense population.

It is true that the states to the south have not been spending the amount of money they were receiving from the gasoline taxes, and motor licence fees, and they found themselves in the position where they did not have the necessary road facilities to take care of their industrial expansion, and the increased registrations of motor vehicles.

Therefore, they set up toll facilities, and in all the places we visited those facilities were serving a very great purpose, and were proving of great benefit to the people, and those we contacted left us with the impression that it was money well spent, and afforded quite a saving to the people who were using the toll facilities.

The situation in Ontario is a little different, because we have a great area in square miles, but we have not the population density, except in areas around Metropolitan Toronto, Hamilton and perhaps in the surrounding districts, so if we are going to construct toll roads for the people of this province, I think it needs a great deal more study than this committee has been able to give it in the short time we had at our disposal.

We realize that Ontario is growing, that its population is increasing, and I think the forecast is there will be a great increase in motor vehicles, and, of course, with the increase in the number of motor vehicles, there will be an increase in highway needs, and our travel facilities will have to be increased one way or another.

I think, when formulating our recommendations, we were in agreement with the principle of the toll-road system, and were of the opinion that it was a means whereby we could extend the facilities to more people in this province.

We have roads which have been started, and extend from one point to another, but we find they are just bits here and there, and it is going to take quite a while to connect up the missing links.

One of the contributing factors, to my mind, Mr. Speaker, is that the roads are not connected more extensively than they are because, during the war years, our expenditures for roads were curtailed, and we built up a backlog, and it will take some time to take care of that backlog, and proceed with the expansion which is so necessary with our growing population.

One of the things which is contributing to the congestion upon our highways, and increasing the demand for building more roads, is in connection with the commuters, who go from one centre to another to their daily occupations. That is something which did not exist 15 or 20 years ago. We now find people living in Hamilton, for instance, driving to Toronto to work, and back home again, and there are many instances across the province where people are driving 25 or 30 miles to work. That is placing a burden on our highways, and adding to the congestion, especially during certain periods of the day, when many people are trying to get either to or from their work.

Another thing which I think is hindering the further developments of our roads in this province today is that we are competing against the railroads. We have the large transport operators on the roads of our province, and they are asking that roads be built which will carry 30 or 40 tons, in which event they will be in competition with the railroads.

If we are going to build highways to take care of those large transports it will entail a great deal of money for building roads up to that standard. Naturally, if we are going to spend more per mile to take care of heavy traffic, then we are going to lessen the amount of money which will be available for the secondary and township roads.

In regard to that, I would like to point out to the House that with all the large transports travelling over the super-highways of the province today, there will have to be some curtailment to prevent them from travelling over our secondary roads. We do find that these transports leave the super-highways and go over our county and township roads, and bridges, and are breaking them.

I think if we are going to provide facilities for these large transports, it should be up to them to provide facilities such as smaller trucks to deliver to the smaller centres in the county villages and towns, to relieve the burden on these roads. I think it is time we classified our highways and gave some direction to these transports as to what roads they can use; if we do not do that, we are going to find ourselves in the position that we are not going to be able to maintain our county and secondary roads to the degree that they should be for transporting our farm produce, etc.

I am of the opinion that we have not gone far enough in the gathering of the information to really say to this House what we should do in the future, whether it should be toll facilities or not. I think that is one of the reasons why this committee came to the conclusion that the committee should be reconstituted to make a further study into the possibilities of toll roads in this province, or other means by which we can expand our highway system.

Mr. Speaker, it has been a great pleasure to serve upon this committee, and I again want to say that I think all the members of the committee gave their best to present the report this afternoon.

HON. MR. FROST: Mr. Speaker, I think at this time I will move the adjournment of this debate, and the matter can be called a little later. In connection with the report, I shall be glad, when the debate ends, to present a motion permitting the committee to continue its sittings, with possibly some enlargement of its powers. I would like, however, to give that further consideration.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Speaker, that last remark of the hon. Prime Minister's is quite pertinent, I mean, if we are going to reconstitute the committee, I think there should be an extension or amplification of its powers.

HON. MR. FROST: I am going to give consideration to that, but the debate can continue at some later time within the next few days.

I might say the hon. member for York South (Mr. MacDonald) was somewhat optimistic in his figures in connection with revenue and expenditures. It seemed to run contrary to the experience of the last 10 years. I might point out that if he takes schedule A(2), he will find there is a comparison of the total expenditures including interest, as against the net ordinary revenue.

The hon. member for York South used table 4, which is a projection of the requirements over the next 10 years, but the table on page 4 does not make any reference to the highway debt or the servicing of it, which is included in the statement I mentioned previously. The highway debt is calculated by the committee, and I suppose it is based on Treasury figures at the end of 1955, and is estimated at \$445.9 million; with interest on that debt at 4½ per cent., which might, under certain conditions, be considered on the high side, depending on interest rates. We have been financing for less than that but, taken on an average of the last 20 years, it does amount to \$19.7 million. That is not indicated in table 4, and, of course, over a period of 10 or 20 years, it would make a very considerable difference in the calculations.

In considering this great problem, factually and properly, we should take into consideration all of the factors involved, because in the long pull one of the worrisome problems in a province such as this is our ultimate credit position, and it is necessary to keep that strong in order to do the job which we have facing us over the next 20 years.

That is one of the financial difficulties. On the one hand, it does seem unreason-

able to pay everything in a programme such as this, in cash; on the other hand, because of the undoubted burden on the people of the day in which the work is done, it does seem the work which is done, and which in the ordinary course would be good for 25 or 30 years, would provide a good case for amortizing the capital expenditure.

However, the problem is one of placing a very great strain on the credit resources of the province, and, therefore, it is necessary to add this cost to the people of today, if we put the capital charges in this day into the ordinary account, in this way it is necessary to transfer a great deal of capital costs to the people of this generation. That is one of the problems of an expanding province.

I am sure all hon. members were very interested in this report, and the comments on it, and I shall make the required motion, at the termination of the debate on this subject.

Mr. Speaker, I move the adjournment of this debate.

Motion agreed to.

MR. SPEAKER: Orders of the day.

HON. MR. FROST: Mr. Speaker, I want to call Orders No. 20 and 21, Bills standing in the name of the hon. Minister of Agriculture, because tomorrow there is to be a meeting of the Committee on Agriculture.

AGRICULTURAL SOCIETIES ACT

Hon. F. S. Thomas (Minister of Agriculture) moves second reading of Bill No. 100, "An Act to amend The Agricultural Societies Act."

Motion agreed to; second reading of the Bill.

THE BRUCELLOSIS ACT, 1956

Hon. F. S. Thomas moves second reading of Bill No. 101, "The Brucellosis Act, 1956."

He said: In connection with this Bill, I have a brief statement explaining it,

which I shall be glad to present to the House at this time. For some months, we have been dealing with the Federal Health of Animals Branch at Ottawa in this connection, and while Ottawa has not yet announced a definite policy, nevertheless negotiations have gone sufficiently far so that we are advancing this Bill on the same basis as The Tuberculosis Act of some years ago.

December 6, 1955.

Hon. F. S. Thomas,
Minister of Agriculture,
Parliament Buildings,
Toronto.

MEMORANDUM REGARDING BRUCELLOSIS

If plans which were approved by federal and provincial officials attending a conference on brucellosis in June, 1955, are adopted, the Dominion Department of Agriculture will soon be announcing a national brucellosis eradication policy. Under the proposed plan, brucellosis control areas will be established upon receipt of petitions bearing the names of at least two-thirds of the cattle owners residing therein.

The Health of Animals Branch will then conduct blood tests of all cattle within these areas, except those under 30 months of age which have been vaccinated, at no cost to their owners. However the owners will be required to sell for slaughter under inspection all cattle that are positive to the test and will receive their market value plus compensation at a nominal rate. When an area has been gazetted, only cattle having a similar or a higher health status will be eligible for admittance.

There will be one proviso in the policy which is of concern to provincial governments—the Dominion Department of Agriculture will not provide this service in any area until the incidence of infection is reduced to 1 per cent. of the cattle or until less than 5 per cent. of the herds contain infected cattle.

Eradication rather than control should be the ultimate goal in any disease programme. In the case of brucellosis the need for action is urgent, partly because of the severe losses which this disease causes to Ontario farmers annually, but principally because of the losses which might result from being deprived of access to certain export markets.

In 1955, 19,285 grade dairy females and 18,086 pure bred beef and dairy cattle were shipped from eastern Canada to the United States; the majority originated in Ontario. At present the United States and state governments are spending vast sums of money to eradicate brucellosis; the present plans call for a brucellosis-free country by 1960. Already those states which have made the greatest advance in their eradication programmes are refusing to accept Ontario cattle, except those from listed herds. Hence there is no gain-

saying the fact that the time is rapidly approaching when more restrictions may be imposed, a situation which would have catastrophic effects upon this country, as evidenced by the depressed conditions which existed in the cattle industry during 1952 when Canadian cattle were barred from other markets on account of the presence of foot-and-mouth disease in this country.

According to surveys between 3 and 4 per cent. of Ontario's cattle are infected. Hence if the Dominion programme proceeds as planned, the province is faced with the task of reducing the incidence of this disease by several per cent. There are two approaches to this problem, namely:

(a) a vaccination programme which is somewhat more time-consuming but quite effective in reducing the disease, and

(b) a test-and-slaughter plan which is more effective but considerably more costly.

In 1953, Ontario adopted a vaccination plan by enacting The Brucellosis Control Act. Under its provisions the council for a municipality is obliged to pass a by-law requiring all female calves within the ages of 6 and 9 months to be vaccinated when 66⅔ per cent. of the cattle owners petition for such action. The council is also required to appoint a committee to supervise the programme and to appoint an inspector to enforce the by-law. These townships are eligible for grants at the rate of 20 cents per calf vaccinated to compensate them for payments made to inspectors.

Cattle owners may have calves vaccinated by a veterinarian of their own choosing, but are required to pay for the service at a rate agreed upon by negotiation between the township committee and the veterinarians concerned. Generally speaking, the fees being charged range from 75 cents to \$1.25 per calf.

What are the results: first the good ones—by-laws have already been passed in 229 townships as shown on the map which can be produced for the record. Hence the majority of the younger animals in these townships have been immunized against this disease.

Now for the other side of the picture: In most townships every cattle owner had his calves vaccinated on the first round after the by-law was passed. However a great many failed to pay the veterinarians for their services. Others refused to pay, claiming that the government which compelled them to vaccinate had a moral obligation to assume the cost. Under the Act "the cost of vaccination shall be payable upon demand and shall be recoverable in any court of competent jurisdiction." Although this clause may serve to prejudice the court in favour of the veterinarian, it does not solve his problem, because of the fact that in most cases the amount involved is not sufficient to justify a lawsuit. Consequently he usually writes off the account as a bad debt and refuses to vaccinate any more calves for those in arrears.

Recently several inspectors have lodged complaints; they feel that remuneration is too low, so they are refusing to act until this condition is rectified.

Under the circumstances and in consideration of the significance of this programme as it relates to the future of our markets for cattle, it would appear that the province has an obligation to assume the cost of vaccination. If this is done, any vaccination areas which are established should be transferred to Dominion jurisdiction as soon as the incidence of disease has been reduced to an acceptable level.

Naturally, before a decision can be made the cost must be considered. According to statistics there are approximately 500,000 heifer calves raised to and beyond 6 to 9 months of age annually. Hence if all calves are vaccinated every year, the annual cost will amount to about \$500,000.

However it is unlikely that the entire province will be participating in this programme at one time, particularly if vaccination areas are not accepted by the province until the cattle owners residing therein petition for the service and if vaccination areas are transferred to federal jurisdiction as soon as the incidence of disease is reduced to the level prescribed in their plan.

Therefore, the amount of money appropriated should be sufficient to provide for servicing those townships in which by-laws already have been passed and for a limited number of new townships, preferably ones adjacent thereto. Henceforth no geographical sub-division smaller than a county should be considered, except in cases where townships lie adjacent to existing areas, thus making it possible to consolidate an area.

In all probability, an appropriation of \$300,000 will provide for the requirements of 1956-57, and an annual appropriation of this amount should be sufficient for the years following. However, the estimate for subsequent years will depend upon the pressures which are exerted by United States authorities or by public health officials in our own province. Already some urban municipalities are threatening to refuse milk from other than blood tested herds, should these threats become a reality there will be an immediate demand from dairymen for the establishment of brucellosis eradication areas. On the other hand, if the federal department relaxes its requirements in order to ease the plight of these producers, the province's financial burden will be eased rather than increased.

Yours very truly,

(signed) W. P. WATSON,
Live Stock Commissioner.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Speaker, there are two questions I should like to ask in relation to the Act. It may be that the

hon. Minister has given the information, and I did not hear him clearly.

In the compensation section, section 14, it is suggested that the Minister may compensate the owner. Is it the present plan, worked out between the province and the federal government, that the province will be reimbursed to any extent by the federal authorities?

HON. MR. THOMAS: That compensation has to do with the loss of a calf which has been vaccinated. So far there have only been two cases, one in the county of Grey and one other. In those cases it provides for compensation for the calf, under certain terms and conditions, in other words if the calf dies after vaccination, it usually dies within 36 hours, and the reason usually can be determined by the veterinarian. That is the compensation clause in this Bill. When the federal authorities pass their Bill, their compensation will be similar to that for tuberculosis.

MR. OLIVER: In relation to section 17, what changes have been made by this amendment in regard to penalties?

HON. MR. THOMAS: The amendment makes it possible to go on to a man's place, and everyone who fails to comply with the regulations as a condition for any permit is guilty of an offence, and is subject, on summary conviction, to a fine not exceeding \$100 for the first offence or \$200 for subsequent offences or to imprisonment for 30 days.

MR. OLIVER: I was wondering how much it was raised.

HON. MR. THOMAS: I have not the figure at the moment, but I will give it to the hon. member tomorrow in the committee. I think it was raised from \$50.

Motion agreed to; second reading of the Bill.

HON. L. M. FROST (Prime Minister): Mr. Speaker, in regard to Bill No. 122, "The Statutory Powers Supervision Act, 1956," which stands in the

name of the hon. member for Waterloo North (Mr. Wintermeyer), might I ask that the Bill be referred to the Standing Committee on Legal Bills, where it can be considered tomorrow?

I do not think it is necessary to give a second reading, as, by Order of the House, it can be referred to that committee.

MR. J. WINTERMEYER (Waterloo North): Mr. Speaker, that is a perfectly satisfactory proposition as long as I understand exactly what the hon. Prime Minister has in mind. It will not in any way prejudice due enactment by the Legislature?

HON. MR. FROST: No. The purpose of the Bill, as explained by the hon. member on first reading, is to provide for simplified legal machinery for taking care of certain legal processes. One of them is prohibition — having nothing to do with the type of prohibition which we discuss here at certain times — *certiorari* and *mandamus* proceedings. These are highly technical matters which could be discussed in committee, with the officials of the hon. Attorney-General's Department and others. The principle could be discussed and the procedure checked there, and then the Bill could come back into the House, if it is reported. I think that would be the best way to deal with it.

MR. OLIVER: Do I take it that the hon. Prime Minister suggests that the Bill go to the committee before it receives second reading?

HON. MR. FROST: I have no objection to the Bill receiving second reading here, provided it is understood that the House is doing it to facilitate the consideration of the Bill in committee. In the case of other Bills, we have referred them to committees before passing on the principles of the Bills and formally giving them second reading.

MR. OLIVER: I do not see why we should not give the Bill second reading, and then let it go to the committee. There cannot be any real argument against that.

HON. MR. FROST: I was endeavouring to follow the point the hon. leader of the Opposition raised on several occasions, that we should not give a Bill second reading which gives it approval in principle, that is to say, he raised the point that it should be sent to the committee before such approval was given. I was endeavouring to profit by the wisdom of the hon. leader of the Opposition, and adopt that procedure.

MR. OLIVER: I would be glad if the hon. Prime Minister would show me where I took that position, as he knows it is the practice to give second reading and then refer the Bill to a committee.

HON. MR. FROST: I have no objection, if second reading is given, conditional upon the fact that we are not necessarily passing on the principle of the Bill, but referring it to the committee, where it can be given consideration.

STATUTORY POWERS SUPERVISORY ACT

Mr. Wintermeyer moves second reading of Bill No. 122, "The Statutory Powers Supervision Act, 1956."

Motion agreed to; second reading of the Bill.

The House, upon Order, resolved itself into the Committee of Supply.

ESTIMATES, DEPARTMENT OF LABOUR (Continued)

MR. T. D. THOMAS (Oshawa): Mr. Chairman, before the Estimates are discussed, item by item, I would like to refer to a statement by the hon. Minister of Labour (Mr. Daley) in the Assembly yesterday afternoon. I had no intention of discussing this question, but as the hon. Minister has referred to it, I feel compelled to make some comment.

The hon. Minister was referring to the General Motors strike, and during the course of his remarks he mentioned that the Canadian director of the United Automobile Workers had walked out of the Conciliation Board meetings. I do

not agree with that. He also said the company "never had a chance to present its side."

I am sure there are some people in my riding who would shed "crocodile tears" if they heard that remark by the hon. Minister.

I am going to show that the company had every chance. In order to develop my point I wish to take hon. members back to about 2 years ago, when the question of the guaranteed annual wage was first raised by the president of the United Automobile Workers in the United States. It met with a great deal of opposition, particularly, of course, from the 3 automobile manufacturers. They got together—Chrysler, Ford and General Motors—and agreed, as far as they were concerned, it would be an "all out" attack on the unions, in order to fight the guaranteed annual wage.

It was a verbal gentleman's agreement. Some months after that, the first company which had to discuss the question of wages was the Ford Company. The negotiations were not going along very well, but just about 2 hours before the deadline, the Ford Company decided to concede the point of a modified form of guaranteed annual wage. This was much to the annoyance and disappointment of the General Motors Corporation. The President, Mr. Harlow Courtice, let that be known amongst the supervisory staff. A letter was sent to them to say that the Ford Company had reneged on a gentleman's agreement. There was nothing to do now but that General Motors would have to concede the point also.

It is my opinion that in their eagerness to get back at the international union, they decided to pick a spot somewhere else, and they picked on Ontario as the battleground with the international union. Their objective was to try to weaken the international union financially. If the battles were continued in Ontario, it would not interfere with industrial activity in the United States.

Dr. Mutchmor, of the United Church, said last October that the big international corporations and the big

international unions were using Ontario as a battleground. Dr. Mutchmor was right as far as the Ford Company and General Motors were concerned, but he was dead wrong as far as the international union was concerned.

From last April up to August, the General Motors and the international union, through Local Union No. 222 of Oshawa, were joined in consultation continuously. They did not get very far. They applied to the hon. Minister and a Conciliation Board was set up under the chairmanship of Judge Anderson. They met in Oshawa.

I have read the report of the judge, and also the minority report presented by Drummond Wren. I intend at this time to give the hon. Minister an actual report of what happened at that Conciliation Board meeting.

The corporation was represented by two of their officials from Oshawa and two lawyers from the United States. The judge invited both sides to present their briefs to the board. George Burt, the Canadian director, said they were quite ready and prepared to present their brief to the Conciliation Board, if the company was prepared to do the same. I think it was mentioned by the labour representative, Drummond Wren, that that was a very fair proposition, and the board agreed on that. However, the company, after consultation with their lawyers from the United States, immediately refused to do so. The company representatives said they were not prepared to offer any brief at all at this time. It was their opinion that the proposals of the union were unrealistic, uneconomic and unacceptable.

Well, when that was the attitude of the company, what could the board do but re-present their brief to the government, saying that no progress could be made?

It is my opinion that the strike had been planned and designed some months previously, not by General Motors of Canada, but by General Motors of Detroit.

These are some of the things I learned down there in Oshawa, when I

was not in Toronto, but in amongst the union officials. I can only say that I am very much surprised that the hon. Minister should say that the company "never had a chance." I think they had every chance in the world, but they had made up their minds that a "showdown" was to take place, and that is exactly what happened.

MR. R. GISBORN (Wentworth East): Mr. Chairman, I should like to say a few words regarding the policy of The Department of Labour. I am quite aware that both of the federations of labour in the province of Ontario in the past couple of weeks have presented their briefs to the government. There is no doubt that The Department of Labour is just as important to our province as any other department of government. I was surprised that the hon. Minister of Labour did not make some comment on the concerns of labour pertaining to his department, in his remarks yesterday. The hon. Minister inferred that he had not had any problems, and had no complaints about the conciliation machinery, and so on. In their brief to the government, there were almost 4½ pages in fine print, of problems regarding the labour unions in Ontario.

They are concerned with conciliation. They deal with Workmen's Compensation. They are quite concerned with pensions and accident prevention, rehabilitation of disabled civilians, fair practices legislation, hours of work and vacations with pay and minimum wages. I did think that the hon. Minister might mention some of those things.

In glancing over the speech of the hon. Minister of Labour in *Hansard* of March 17, 1955, when dealing with his Estimates, I would like to quote these words. I think it is a very true statement and I quote the words of the hon. Minister of Labour:

I think the activities of our organized labour have to a large extent helped to build a better standard of living for our people and made available more of the good things of life.

The hon. Minister of Labour yesterday in his remarks inferred that the CCF had taken on the job of being the official spokesman for the trade union groups in Ontario. I would like to say that is not the case. I am sure all the members of the CCF Party, as well as myself, are interested in the problems of the people of the entire province, and not of any particular group.

May I add, at the risk of having some reply about getting votes, that last February the CCF were accepted and endorsed by the Ontario Federation of Labour, The Canadian Congress of Labour, and also in November, at the Ontario Provincial Federation of Labour Convention, there was a tie vote about endorsing the CCF.

Mr. Chairman, it has been my interpretation that legislation passed by democratic governments is meant to be fair to all, and discriminatory to none. In looking at section 78 of The Labour Relations Act, I cannot say that is the case. It is one of the shortest Acts on the books, and one of the most arbitrary and unfair. There are only 3 short lines in section 78, which says:

Any municipality as defined in The Department of Municipal Affairs Act may declare this Act shall not apply to it nor its relations with its employees or any of them.

I would say that the hon. Prime Minister and the hon. Minister of Labour have said on occasion in this House, during this session, that they have opened all avenues for municipal employees to organize into the union of their choice. My understanding of what they say to the industrial workers is: "If you organize into a union of your choice, according to The Labour Relations Act, the board shall grant you certification. But what they say to the municipal workers is: "If you organize into the union of your choice, the employer will decide whether or not you are going to be certified."

I feel it is very essential these workers should be encouraged to organize into the union of their choice, so they

can bargain for their wages, and receive some decent conditions.

In May of last year a group of road workers in the employ of Haldimand County Council, after attempting for quite a time to gain recognition of many of their grievances, approached the Hamilton Labour Council for assistance to organize into a union.

They were referred to the National Union of Public Service Employees which arranged a meeting. At that meeting, 35 out of 39 employees signed up in a union, and as soon as this union applied for certification, the County Council of Haldimand held an emergency meeting and passed a by-law, using section 78 of the Act, removing the workers from the jurisdiction of the Act.

If this section of the Act is invoked, it means the employees cannot be certified, and if they are to be recognized as a union, they have to deal directly with their employer. If they cannot gain recognition they have to go on strike. That is what happened in this case and after several months on strike, their strike folded up. The council contracted out work and the majority of the workers found employment in other industries in the city. A great many of them received wages and found conditions better than they had previously enjoyed.

Mr. Chairman, if we look at The Labour Relations Act and the fundamental purpose of it, one of the main Statutes is to prevent improper interference with the freedom of employees to join the union of their choice. I feel if the hon. Minister of Labour wanted to put his words into action, we should give consideration to the repeal of section 78 of The Labour Relations Act.

Mr. Chairman, I hope the hon. Minister has provided in his Estimates for some adequate increase in personnel of the various sections of The Department of Labour. It seems to me that the series of complaints being registered by both federations of labour would indicate that there should be some provision made for some of these problems,

and I would make along the following lines some suggestions I think would clear up some of our problems. I think if the qualified department representatives were sent into industrial communities, just as we have Department of Agriculture representatives in the farming communities to service the farmers throughout the province, I think, for example, if conciliation officers could be available in industrial centres in adequate numbers, they could investigate immediately, without delay, charges of discharge because of union activities during organizational periods and for other reasons which occurred in those times.

They could also be on hand to deal immediately with conciliation procedures in the first stages, where disputes arise in the industries, and thus avoid the long delays now experienced in that respect.

THE CHAIRMAN: Would the hon. member for Wentworth East please speak louder? Some hon. members have difficulty in hearing.

MR. GISBORN: I will try to, sir. Another idea which I feel might be investigated, Mr. Chairman, which might help the building trades groups in their difficult problem, is the location of offices of The Department of Labour in the community, who would have the authority to investigate union memberships, then, in clear cut cases, inform the board that they feel certification should be granted. Of course in case of disputes, both parties would have the right to appear before the board.

I think too, that factory inspectors in sufficient numbers to insure adequate inspection of industries in any of our localities should be located in such offices so there could be a systematic and a thorough job of inspecting the area.

Another thing that would be important in that respect is that workers in the industries could approach the offices where they are handy, and bring to the attention of officials some of their problems with respect to safety and

health in the plants. I do not feel that the inspectors are in a position otherwise to have that information, unless it takes a long time to write in and receive the report back again.

I have made these few remarks to show that I feel something can be done about conciliation procedures and the problem of the building trades in getting certified, along these lines, I think something can be done.

Now, Mr. Chairman, The Department of Labour deals with the relationship between human beings, and if the department is to do an effective and satisfactory job, a speed-up of the handling of these problems at ground level is most imperative. I feel, Mr. Chairman, that we do need some improvement in the field of labour relations as it affects these problems.

MR. D. MacDONALD (York South): Mr. Chairman, before we get into the details of the Estimates, I want to make a few general comments.

I must confess that listening yesterday to the hon. Minister I was reminded of a story about a certain Irishman. I do not know whether the hon. Minister is Irish or not, but this is a story of an Irishman who was credited with being neutral, and one of his friends when asked, said: "Yes, he is neutral, but who is he neutral against?" Well, when it comes to The Labour Relations Act, the hon. Minister is neutral and impartial, if we listen to him, but I think it is quite evident who he is neutral against.

HON. MR. DALEY: That is pretty generally accepted throughout the country.

MR. MacDONALD: For example, Mr. Chairman, the hon. Minister gets up and introduces his Estimates of The Department of Labour and one of his main complaints is that he hears these "peddlers of gloom" going around and talking, but they are not bringing constructive suggestions, "I don't hear these constructive suggestions."

And yet, Mr. Chairman, I draw to your attention the fact that within 2 or

3 months of both of the labour federations in this province coming in with dozens, scores, hundreds of constructive suggestions, the hon. Minister did not see fit to discuss them specifically.

What did he do, Mr. Chairman? He got into discussion with the hon. member for Riverdale (Mr. Macaulay). Now I want to pay tribute to the hon. member for Riverdale. He is taking some interest in labour matters, and I wish more members on the government side would do the same thing. But what we had yesterday was the "Tory" Party talking to itself, and ignoring the constructive suggestions that have been made by the labour federations of this province.

The hon. Minister shakes his head, but he certainly did not deal with those constructive suggestions specifically. One could have listened to everything he said yesterday and not have been aware of the fact that the day before, or two days before, he had listened to representatives of the Ontario Federation of Labour and that a week or so ago, he had listened to a brief from the Ontario Provincial Federation of Labour. They just were not in existence as far as anything we heard from the hon. Minister is concerned.

As a matter of fact, the whole attitude of the hon. Minister, I think, is beautifully summed up in the fact that he gets up and quotes a letter from a management consultant and ends by saying: "There is an objective statement." It so dovetails with his own prejudices that he thought it was an objective statement.

HON. MR. DALEY: Sometimes I get annoyed with the hon. member for York South and at other times I am simply amused.

MR. MacDONALD: Before I am finished, Mr. Chairman, perhaps the hon. Minister will not be so amused. When he started to introduce his Estimates, he made a comment with regard to the department to which I want to go back, because it was a very valid one. He said his department had a

great number of Acts which they had to administer. Very true, and as a matter of fact I think there is a basic criticism there which I would like to draw to the attention of the government as a whole. I think The Department of Labour is, to too great an extent, a catch-all, and has connected with it, on too many occasions, legislation in which the Labour Department is not particularly interested. Certainly the hon. Minister is not interested in such, for example, as our anti-discrimination legislation, which I will come to when we reach that particular vote. I shall not touch upon it now.

Such legislation is "dumped" into his lap, the department serves as a sort of catch-all, and one of the significant things which I am prepared to state now and to document on a good many sections of The Department of Labour, as we deal with the Estimates, is that I have looked into the Estimates of many departments on various occasions, before coming into this House as well as since being here, and never in my experience have I ever seen the operation of a department in which the letter or the spirit of the law is violated to such an amazing extent. Mr. Chairman, I am willing to document that, and if the hon. Minister does not think so, just let him listen for a moment.

The first case is the whole Labour Relations Act itself. The hon. member for Wentworth East (Mr. Gisborn) is a trade unionist, he knows something about The Labour Relations Act. He does not sit up in an "ivory tower" in a sort of "fool's paradise" thinking that everything is happy in connection with The Labour Relations Act and, incidentally, refusing to call the Labour Committee so that those who have complaints can bring them in.

If the hon. Minister thinks that everything is happy, why does he not call the Labour Committee? I think he is frightened to do so, because he does not want to cope with the thing the boys will bring in, the sort of thing which we heard in the Mining Committee this morning, as to conditions with which labour has to cope in that industry.

HON. MR. DALEY: Mr. Chairman, I have discussions with those very "boys" a dozen times a year.

MR. MacDONALD: It is a very, very remarkable thing that this government has this great interest, and congeniality, and everything in the interests of labour, yet one of the most important standing committees of this Legislature is not called together. I suggest to the hon. Minister that he is frightened to call it together. If he is not, I think it is about time, after years of not meeting, that he should call it together, and let some of the people who have complaints bring them forward so we can discuss them.

Now with regard to The Labour Relations Act itself. That Act, as I see it, Mr. Chairman, is an attempt to lay down the "rules of the game" so to speak, of labour-management relationship, so that both management and labour know they can go into collective bargaining, knowing exactly what their rights and their obligations are. Labour is not asking for any "mollycoddling" on this proposition. All labour wants is that these rules of the game be laid down, and that they can then count upon them being lived up to in spirit as well as in the letter of the law, so that when they go into negotiations they will not find the government lined up "behind the scenes" with management, and sometimes taking action in throwing their weight against labour.

For example, Mr. Chairman, the hon. Minister can get up and talk on the subject in rosy terms. But let the government talk to the packinghouse workers. Let them talk to the workers after they had a battle with the Savage Shoe Company, and found that that company could manipulate the voting procedures and bring employees in from other areas and, in effect, wreck them until it broke the union. Let them go back to the packinghouse workers, who have faced exactly the same situation on two or three occasions, when they tried to get their union certified in Presswood Packers on St. Clair Avenue.

Go talk to the glassworkers, recently unionized in the province. I wonder if the government is aware that those people made the astounding discovery that it took them longer to become certified as a union in this province than it did in the province of Quebec?

HON. MR. DALEY: The hon. member knows that there was a jurisdictional question in that.

MR. MacDONALD: All I say is that exactly the same jurisdictional problem existed in the province of Quebec and, in an areas where we thought there was probably the toughest Labour Relations Act to be found across the whole Dominion of Canada, they were certified more quickly than they were in this province.

HON. MR. DALEY: Certainly, because there was a jurisdictional dispute here.

MR. MacDONALD: The jurisdictional dispute existed in the province of Quebec also, and still they were certified.

HON. MR. DALEY: Let the hon. member be fair, when he makes that statement.

MR. MacDONALD: I am being fair, Mr. Chairman.

The point I want to make, and I have touched upon it before in the House—a point too important for the government to “skate around” much longer—is this: if the government really believes in the principles it has laid down for labour-management relations, and how labour is going to be organized in this province, why is the government not willing to live up to it itself? The acid test of anybody who pays lip service to a certain high set of principles is whether they themselves are willing to live up to those principles.

And I come back to a point I touched on a week or so ago. This government refuses to live up to the principles it has in The Labour Relations Act, when it comes to dealing with those 20,000 or more people who happen to be working for the government—its own employees.

MR. GROSSMAN: What did the hon. member call them last year?

MR. MacDONALD: Never mind what I called them. I just invite hon. members, if they think I am exaggerating the situation, to go back to the October issue of the official magazine of the Civil Service Association of Ontario, called *Trillium*, and they will find there the president's report. I have never read a report from a president of any group of working people, whether an organized union or not, which is a more endless tale of frustration and exasperation than trying to get what is their just due. The president points out:

Our membership total has shown a steady and continued advance. The significance of this cannot be discounted and there is no longer any doubt but that the association is the voluntary choice of an overwhelming majority of the employees of Ontario to protect and further their interests.

A little bit earlier in his report he made this comment, in describing the work of the board of directors over the past year:

The total effort is deserving of greater success and the lack in this regard is due to the disregard of the association's moral right to negotiate on behalf of the Ontario government employees. This is all the more unfortunate when it is remembered that such a right is guaranteed by the Ontario government to employees' representatives in other fields.

In other words, I say to this government, Mr. Chairman, if it really believes in the principles which are in The Labour Relations Act, it is about time it began to practice what it preaches and, as an employer, concede those rights to the people whom it happens to have as its employees.

The last time I raised this matter in the House, the hon. Prime Minister (Mr. Frost) interjected and said: “They have a union.” Well, I was very much interested, and during the latter part of the same week I picked up the

Toronto *Telegram* and discovered that, the day before, the board of directors of the Ontario Civil Service Association had met and there was a two-paragraph news comment:

Civil servants are to ask Premier Frost to back up his statement that they have a union, by certifying the Civil Service Association of Ontario as a bargaining agent. The association's board of directors meeting in Toronto yesterday also approved in principle affiliation with the Canada Labour Congress.

That is precisely what I warned the hon. Prime Minister was going to happen, because of the kind of treatment the civil servants of the province have been getting from this government.

I want to take a second example. The hon. member for Wentworth East (Mr. Gisborn) has touched upon this, and I think it is just about time this government quit going around with all this "prattle" about what they are doing, by way of giving basic rights to the workers and everything else, when it takes away those rights with its left hand, after having given them with its right hand. I am referring to section 78.

Section 78, after you have laid down, once again, the rules of the game, in The Labour Relations Act, which you have described before as sort of "labour's economic charter", a Magna Charta, their charter of rights—you have given them these rights and then what happened? You put section 78 in there, which says that this great group of unorganized workers across the province can be deprived of its rights if some local municipal council, made up of some pretty anti-labour and reactionary people, passes a by-law to take them out from under The Labour Relations Act.

HON. MR. DALEY: Not necessarily.

MR. MacDONALD: That is what is happening.

HON. L. M. FROST (Prime Minister): The hon. member does not remember the principle involved in that.

MR. MacDONALD: As a matter of fact, the interesting thing is this, now that the hon. Prime Minister has come into this discussion, this danger was pointed out to him in the Ontario Federation of Labour brief, and his comment was: "We cannot go in and push the municipal councils around."

HON. MR. FROST: That is right.

MR. MacDONALD: Just examine the logic of that, Mr. Chairman. The government passes a law which accords these people certain basic rights. Then the municipal council deprives them of those rights, and the government says: "We cannot go in and push them around."

HON. MR. FROST: May I point something out to the hon. member?

MR. MacDONALD: The hon. Prime Minister will have a chance to reply.

HON. MR. FROST: May I point out to him that the councils are elected bodies.

MR. MacDONALD: That is right.

HON. MR. FROST: They are responsible to the people, and the minute we step in to do something with the municipal council, we immediately get into a big row.

MR. MacDONALD: That is right.

HON. MR. FROST: No doubt we shall be considering shortly the Fire Department's Bill, Bill No. 99, and already I have a sheaf of telegrams of objections from municipalities.

MR. MacDONALD: And I trust the hon. Prime Minister is not going to back down on it.

HON. MR. FROST: I will deal with that when I come to it.

MR. MacDONALD: Good.

HON. MR. FROST: But may I say to the hon. member in the first instance, by this Act, it was made optional for municipalities to come in. We are all in favour of their coming in. The hon. Minister of Labour changed the emphasis of the Act by an amendment, and brought them all in, but at the same time gave them the right to step out. That is an autonomous right which they have, as they are people elected by the citizens of the province, or the municipalities.

We unhesitatingly believe that it is better for the municipalities to be in and receive the benefits of this Act, and I point out to my friend that there are great benefits in The Labour Relations Act. I think all hon. members will agree with that.

MR. MacDONALD: If that is lived up to, I agree.

HON. MR. FROST: We think it is better for them to be in, but there is the difficulty again of municipal autonomy, and I think the hon. member will admit, when he gets through dealing with superlatives and adjectives, and so on, that the way it is being handled is the best method, and one which I think keeps the matter where it should be, where the elected representatives have their responsibility. We are democratic here.

MR. MacDONALD: Mr. Chairman, let me disillusion the Hon. Prime Minister, because I do not agree with him. Let me spell it out for him, it is an important issue and the hon. Prime Minister had it in his own back yard last year, and I will say it is to the credit of the people of the town of Lindsay.

HON. MR. FROST: Of course; they are wise people.

MR. MacDONALD: I cannot dispute that, when I look at the results of the vote of June 9, though we received a larger vote there than we ever had before. What happened, however, in the town of Lindsay, is that they availed

themselves of section 78, and then there was such a protest going up in the town of Lindsay, that public opinion forced the council to put them back under the Act.

HON. MR. FROST: That is right.

MR. MacDONALD: And what I want to say, Mr. Chairman, is that a free way of life is based on the political side of certain basic human rights and civil liberties to which everybody is entitled and, as a matter of fact, some of the hon. Prime Minister's friends in Ottawa are trying to bring in a Bill of Rights which will sort of spell the thing out.

John Deifenbaker has made efforts in this respect over the years. And I want to suggest that on the economic side, those rights accorded people are inviolable rights, and it is not the privilege of anyone, even a council subject to election, to be able to deprive people of being able to organize in a union of their own choice.

MR. A. GROSSMAN (St. Andrew): Mr. Chairman, may I ask the hon. member for York South a question with respect to this municipal council business?

MR. MacDONALD: Certainly.

MR. GROSSMAN: The hon. member mentioned something about municipal councils who generally are anti-labour.

MR. MacDONALD: I said some.

MR. GROSSMAN: Well, I would like to ask him whether he included in those municipalities, which asked to be taken out from under the Act, the city of Toronto?

MR. MacDONALD: Did they ask to be taken out from under it?

MR. GROSSMAN: Yes.

MR. MacDONALD: If they did, then there is an anti-labour sentiment there.

MR. GROSSMAN: Then may I inform the hon. member that I was a member of that council and, incidentally, some day if it is necessary I will prove to him that I am not anti-labour, and the official representatives of labour on that city council agreed and voted for the city council asking to take the city of Toronto out from under the Act.

MR. MacDONALD: I am not familiar with the particular details with respect to the city of Toronto, but it does not alter one bit the basic principle that you cannot with justification concede a group of workers the right to organize in the trade unions of their choice, concede them that right with your right hand and take it away from them with your left.

HON. MR. FROST: Responsible, self-governing democracy.

MR. MacDONALD: Let me come to the next step, since we are going to argue this and apparently get no further. Just to show you, Mr. Chairman, where this government stands on the issue, let me take hon. members back to the point I was about to make—what happened in Wallaceburg.

In Wallaceburg you had exactly the same kind of development; a group of municipal workers tried to organize and once they got organized, to apply for certification. The Wallaceburg council passed a by-law taking them out from the Act, under section 78. The workers had no alternative, if they were going to get there, but to strike, so they struck.

Then what happened? The council then passed a resolution which was sent to the hon. Attorney-General of the province of Ontario (Mr. Roberts), asking him to send in provincial police to stand guard over the mythical dangers of what these people were going to do.

Then we saw the ludicrous situation of 19 provincial police, equipped with 6 cruisers, going into the town of Wallaceburg and staying there for 6 to 8 weeks to guard against the alleged dangers of 17 men out on strike. Of all the absurd

and ludicrous things I ever heard of or read about, that was it.

And that, Mr. Chairman, was not the end of it. After it was all over, the town of Wallaceburg was going to be faced with a bill of something in excess of \$10,000 for the board and keep of these 19 policemen for the time in question.

HON. MR. FROST: Mr. Chairman, may I ask the hon. member a question? What he has asked us to do here—and I draw this to the attention of the former mayor of Warton, the mayor of Guelph and some other municipal people here, he asked us to pass a law to protect the municipalities, democratic institutions and governments, and there is the folly of what he is asking us to do.

MR. MacDONALD: No, I asked the government to pass a law to protect any group of people being deprived of basic economic rights to which they are entitled, and not to give them those rights under The Labour Relations Act with one hand and take them away with the other.

HON. MR. FROST: We do not take them away. The municipalities decide their own affairs.

MR. MacDONALD: Let me get back to Wallaceburg. In that instance they were going to be faced with a bill for \$10,000 which, in a little town like that, would represent a good many tax mills. So what happened? The hon. Attorney-General of the province of Ontario "picks up the tab" and pays the bill. So what the hon. Attorney-General was doing, in effect, was paying a group of 19 policemen, who duties in there were as thinly disguised strike-workers.

HON. MR. FROST: Oh no, Mr. Chairman. May I point out that in the matter of the preservation of law and order—

MR. MacDONALD: There was no principle of law and order involved, this is a fictitious thing.

HON. MR. FROST: If a municipality feels that they need assistance, then that assistance is given to them to maintain law and order. I do not think the hon. member should cast aspersions on the police of this province.

MR. MacDONALD: I am not casting aspersions upon the police.

HON. MR. FROST: The hon. member does when he calls them strike-workers. They are not strike-workers at all.

MR. MacDONALD: You sent them in and created them as strike-breakers.

HON. MR. FROST: They guard the hon. member's liberties and those of everyone else, and see that the laws, and the enforcement of those, are respected. That is fundamental, Mr. Chairman, and I think the hon. member is doing a great disservice to the fine police force of this province in calling them "strike-breakers."

MR. MacDONALD: Mr. Chairman, the capacity of this government, when faced with an issue they do not like, to start drawing red herrings across the track, is certainly remarkable. We deal with housing, and they start talking about "cry babies" instead of dealing with the housing situation. I was not criticizing the police.

HON. MR. FROST: The hon. member called them "strike-breakers."

MR. MacDONALD: The hon. Prime Minister knows that what I am criticizing is that through the actions of this government, they were using the police in the capacity of strike-breakers, and it was very thinly disguised as such.

HON. MR. FROST: Oh, no.

THE CHAIRMAN: Order.

MR. MacDONALD: Mr. Chairman, I am not conceding the floor, I am making my point, despite the hon. Prime Minister "popping up."

HON. A. K. ROBERTS (Attorney-General): Mr. Chairman, the hon. member for York South is not making any point. He has made a charge and I would like an opportunity, through the chairman, of asking him to give specific instances of any strike-breaking by the police of this province, since this government, which was elected last June, came into office.

HON. MR. FROST: Or go back to 1943.

MR. MacDONALD: I just want to repeat what I have already said, that there was a group of workers who were trying to organize in a union of their choice. They had decided what their union wanted to do, they made application for certification, and their employers, who happened to be the municipal council in Wallaceburg, availed themselves of section 78, and deprived them of this right.

As soon as the workers were deprived of this right to organize, they went on strike and then, when they went on strike and there had not been a single suggestion of property damage or violence or anything of that nature, this same group panicked and asked the hon. Attorney-General to send in the provincial police. There was no justification for sending in the provincial police.

HON. MR. ROBERTS: Mr. Chairman, let us get it straight. The provincial police are not sent in to any municipality unless they are requested to be sent there by the head of the municipality, elected by the people.

MR. MacDONALD: There was no justification for them going in.

HON. MR. ROBERTS: The hon. member says there was no justification for sending them in? There was the justification of a request by the elected representatives of the municipality.

MR. MacDONALD: There have been many occasions when there have been requests to send the police in, but the hon. Attorney-General has not seen fit—

HON. MR. ROBERTS: The hon. member is making the wildest sort of charges. If he is speaking about a situation which he says exists, and has existed since last June, I say there has been no request made to me since I took office, to send the provincial police into any municipality.

MR. MacDONALD: I am dealing with this case—

HON. MR. ROBERTS: Let the hon. member deal with facts.

MR. MacDONALD: I am dealing with facts.

HON. MR. ROBERTS: There has been no case, since I came into office, where our Ontario Provincial Police have gone in and taken part in any strike.

MR. MacDONALD: This took place a year ago last November, when the present hon. Provincial Treasurer (Mr. Porter) held the post of Attorney-General, and this happened after—

HON. MR. FROST: The police were requested by the town of Wallaceburg, and were supplied to that town, as they would be elsewhere.

May I say to the hon. member that the provincial police, who were sent there, did absolutely no act of strike-breaking from the time they went in, directly or indirectly. The hon. member should be fair, and recognize that. There is nothing to be gained by saying that the police of this province, who are here to maintain law and order, are doing anything more than maintaining law and order, and I may say, Mr. Chairman, that they are doing their duty in a very fine way. They do not enter into disputes between workmen and the municipalities at all.

MR. MacDONALD: Then why did the government send them down?

HON. MR. FROST: They went there because the mayor and council of the municipality asked that the police be sent there to maintain law and order. It was done at the request and upon the responsibility of the council.

MR. MacDONALD: I will not back down one iota. If a group of workers try to organize the union of their choice, and are deprived of that right, which is conceded to them in The Labour Relations Act, and they go out on strike, this government has no right to send in the provincial police, as strike-breakers—

HON. MR. FROST: They were nothing of the kind.

MR. MacDONALD: I am not criticizing the police. They were only carrying out their orders.

MR. HALL: The hon. member is certainly in the minority.

MR. MacDONALD: Let me move on briefly to one final point.

MR. HALL: No other hon. member can get a word in at all.

MR. MacDONALD: When I raised the question of "political patronage" in the civil service—

MR. MALONEY: That has nothing to do with this issue at all.

MR. MacDONALD: It is an issue which will live until it has been dealt with.

As I say, Mr. Chairman, when I raised the question, the challenge came from across the floor, "Give us some proof; give us examples, where the political patronage existed." All I could do before was quote from the January *Trillium* containing a statement by a group of civil servants. Now I want to give the hon. members a bit of proof, and I go to the Labour Department for it.

There is a branch of The Department of Labour, called the "composite inspections branch." Prior to September, 1953, there was a vacancy in the branch of The Department of Labour, which was filled. It was not advertised for examination, and there was no competitive examination to give an opportunity to other people in the civil service — those who might have wanted to change

their positions, or seek promotion, but it was filled by the department, and the name was sent forward, and was "rubber stamped" by the Civil Service Commission. The position was filled by a man whose name was "Morris," and the man happened, by mere chance, to come from the city of St. Catharines.

Prior to January, 1954, there was another vacancy in the composite inspection branch, which was filled, and again there was no opportunity for examination, and no effort made to put it on a competitive basis, and the position was filled by the department sending in the name of a person — whose name was given, and it went to the Civil Service Commission. His name was "Nelson," and by mere chance, he came from the city of St. Catharines.

Prior to April, 1955, there was a similar vacancy and exactly the same procedure was followed, and a man by the name of "Todd" was appointed, and by mere chance, he came from the city of St. Catharines, or from that area.

The assistant chief inspector in the composite inspection branch is the man who was originally appointed in this department in the year 1947. I do not know the qualifications of the man at that time, but he started with a salary of \$1,775, and in 1943, I would judge the qualifications were not very high.

By 1951, his income had risen to \$2,800; an increase of $66\frac{2}{3}$ per cent. in a period of 4 years.

Then, if hon. members will look in the public accounts, they will find the name disappears, because it was lumped with others. It re-appeared in 1954, when he was receiving \$3,600, which was the fourth highest salary paid in the branch.

In 1955, his salary was up to \$4,800—

HON. MR. FROST: Probably he is a good man.

MR. MacDONALD: His name is Ronald Turtin, and he happens to be the son-in-law of the hon. Minister.

HON. MR. FROST: That does not show political patronage.

MR. MacDONALD: Just a minute, Mr. Chairman. I have not conceded the floor to the hon. Prime Minister.

HON. MR. FROST: Look at some of the people from Lindsay who are very excellent people, and they were not appointed by political patronage.

MR. MacDONALD: A son of the hon. Minister happens to be in an agency which comes under the direction of The Department of Labour, namely, the Workmen's Compensation Board.

I want to draw attention again to the fact that *Trillium* stated that political patronage produces prejudice; not only does it produce prejudice, but it produces envy, jealousy, and dissension amongst the civil servants, and the whole thing is summed up in this editorial, in one paragraph which I want to read:

The Civil Service Association of Ontario knows from bitter experience that patronage, politically and personally, is the greatest destroyer of initiative and efficiency in the public service, and it has, therefore, consistently asked that the service be kept free from this vicious system.

I want to suggest that what is going on in this government, and particularly in The Department of Labour, is not only political patronage. It is political favouritism. In fact, it is nepotism.

I say, Mr. Chairman, that on no occasion should members of a family be employed in a department which comes under the jurisdiction of the hon. Minister.

HON. MR. FROST: I might mention, Mr. Chairman—

MR. MacDONALD: Two or three more sentences, and I am sitting down, Mr. Chairman. Until we get around to establishing a civil service commission in this province which has genuine powers to appoint civil servants, and not simply "rubber stamp" names which are handed to it from the departments, and where, if they dispute a name, they do not simply have to accept it — until

we get to the point of establishing a competitive system which gives civil servants, in and out of a department, an opportunity to seek employment through competitive examinations, we are not going to be able to rescue our civil service system from a degree of political patronage which remains in it.

As long as that happens, as the *Trilium* says, it will destroy the initiative and the efficiency of the public service.

I think it is high time the government did something about it, instead of giving the civil servants the "run around."

HON. MR. FROST: May I say to the hon. member that it is not necessary for the government to deal with this matter now. This government came into office in 1943. There were no "firings" by this government on political grounds — none at all.

MR. MacDONALD: I did not say there was. The hon. Prime Minister is not discussing the point I raised.

HON. MR. FROST: All right. I want to deal with it anyway. This government, when it came into office, provided security for the civil service; it did not engage in "hirings" and "firings." We had something along that line before. I think the hon. leader of the Opposition (Mr. Oliver) could tell the House of various incidents in this province in 1934. That has not happened since this government came to power.

Today, in my own riding, I have patrolmen, and government employees in various categories, who were appointed by the previous administrations, and they are still there, with pensions, increases in salaries, and security in their employment.

I want to say to the hon. members that all of the appointments which are made come under the jurisdiction of the civil service commission—

MR. MacDONALD: To be "rubber stamped."

HON. MR. FROST: Sometimes, as the hon. member may know, it is difficult to secure a person to fill a particular position.

In these days of high employment and the requirements of specialists and others, to do a job is sometimes difficult. I found that in the departments of which I have had charge, but I would say to the hon. member that every effort has been made to appoint good personnel who could do a good job, and whose qualifications are passed upon by the civil service commission, and then their employment is secured.

Never, since the commencement of this province 162 years ago, have the conditions of the civil service, the security of employment of the civil servants, and the ending of some of the highly undesirable patronage practices of the past, been accomplished in such a fine way as it is at the present time.

MR. MacDONALD: With respect, Mr. Chairman, I draw your attention to the fact that the main point which I raised, the hon. Prime Minister has evaded. The main point is that it is about time an employer the size of the government of Ontario, with some 20,000 to 30,000 employees, begins to put its hirings on a modern, personnel-management basis, and do away with the relics of political patronage. To a great extent, the hirings of a good many people in departments are made because a recruiting agent happens to be the Conservative member of the Provincial Parliament.

MR. CHILD: Ridiculous.

MR. MacDONALD: I do not make statements until I know what I am talking about. Furthermore, what makes it more ridiculous is that the defeated "Tory" candidate is a recruiting agent in some areas. Let me tell you of a case in my own riding—this has nothing to do with hiring and firing—but a man applied for a licence, to sell hunting licences in his store, and the application got stalled. This man called me because I happened to be the member,

but the thing was stalled, and when I inquired, I found it was on the desk of the hon. Minister of Lands and Forests (Mr. Mapledoram), and it had been there for some time. The man started to inquire, and he was told by some friends of his in the Conservative Association, "You went to the wrong people, MacDonald has nothing to say on this, you go to the Conservative organization," and he did and it was cleared, and he got his licence. What a perversion of democracy, that the elected representatives—

THE CHAIRMAN: Order.

MR. MacDONALD: Every hon. member hollering is in effect saying that the defeated Conservative member is a man who is going to represent these people. Go to the riding of the hon. member for Kenora—

MR. WARDROPE: The hon. member is too busy talking to do any work.

MR. MacDONALD: When the hon. member has done as much work as I have, he will be able to bat in the same league.

MR. CHILD: The hon. member gets well paid for it.

THE CHAIRMAN: Order.

MR. CHILD: The hon. member gets an extra \$6,000, does he not?

MR. MacDONALD: Go to Kenora, and you will find a man who is announcing the letting of the contracts, who is spokesman for the government in Kenora, the defeated "Tory" candidate. What a perversion of democracy this is. Well, all hon. members seem to agree. Sometimes I think the hon. Prime Minister, who is a great deal smarter than some of the other hon. members, should give them a lesson on basic democratic procedures—that a man who has been turned down by the people—

THE CHAIRMAN: Order.

MR. MacDONALD: Some one spoke of the seats over there where the hon. Minister of Planning and Development (Mr. Nickle) sits as the cheap seats of the government, and I think that is quite right. It is a perversion of democracy, that a defeated candidate is going to be the spokesman in that area, and you may well take a look at that as part of the whole picture.

HON. MR. FROST: Mr. Chairman, the difficulty with the hon. member for York South is that he changes his mind in his arguments, and his point of view so often, it is really very difficult to tie him down to anything.

MR. MacDONALD: When?

HON. MR. FROST: Why, right here. Here is a paper which is quite favourable to the hon. member, and it says in the headline, "Committee Backs Toll Roads," and the hon. member for York South voted for it. It was only in the House this afternoon, he denied he was in favour of toll roads.

MR. MacDONALD: I am glad the hon. Prime Minister raised that point.

MR. MALONEY: Sit down, we are busy, we do not want to listen to you.

THE CHAIRMAN: Order.

MR. MacDONALD: I see the hon. member is present after his long week-end or two-week absence.

THE CHAIRMAN: Order.

MR. MacDONALD: I want to say this in all sincerity; the hon. chairman of the Committee on Toll Roads can vouch for this, that in our discussions, when we got around to preparing our report, I stated my opposition to toll roads.

MR. CHILD: You signed it, is that not enough?

THE CHAIRMAN: Order.

MR. MacDONALD: I stated my opposition to toll roads, and said I would "go along" with the report at that moment in support of toll roads, and out of our discussions was an agreement which I thought was a gentleman's agreement until it was violated by the hon. member for Bellwoods (Mr. Yaremko), today.

MR. YAREMKO: Mr. Chairman, on a point of personal privilege.

MR. MacDONALD: All right.

MR. YAREMKO: The hon. member for York South will concede that I have sat here patiently listening for weeks, but when he rises to say I have violated a gentleman's agreement, I say there was no such agreement. There was a report, and that was the report which was signed. I would ask the hon. member to refer to *Hansard*, and he should not come into the House and make such a charge as that. The only statement which was made was when the hon. member for York South consistently kept talking about "ton-mile tax," and the hon. chairman and other hon. members brought to his attention that the terms of our reference did not include that, much as we would be interested in it. He was told if he wanted to speak in the House, he was perfectly free to talk on any subject, but this is for the first time to my knowledge, in this House, when the hon. member for York South was opposed to toll roads.

MR. MacDONALD: Oh, go away, read the record on toll roads. I argued against it in the last few days.

THE CHAIRMAN: Order.

MR. MacDONALD: During the last few days, I argued against it. Mr. Chairman, I just wanted to finish and then the hon. Minister can have the floor. When we had these discussions in the Toll Roads Committee, since this issue has been raised by the hon. Prime Minister, I said I was opposed to toll roads, and I said if necessary I would have to prepare a minority report, and in our discussions, this merged—

MR. LAVERGNE: The hon. member is speaking out of both sides of his mouth at the same time.

MR. MacDONALD: —we could do that as a practical solution, and I said, "Fine, as far as I am concerned, it is the best way, and I can go along with that proposition," and the hon. chairman said, "If you have any objections to it, you can spell out your objections to it in the House," which I did.

HON. MR. FROST: Mr. Chairman, the hon. member for York South reminds me of something that was said by that great leader of the Liberal Party, "Mitch" Hepburn. The hon. member is trying to nail a piece of jelly to the wall.

MR. YAREMKO: Mr. Chairman, I do not mind at all when the hon. member for York South imputes the fact that I am not a gentleman, that I break gentlemen's agreements, although I do not concede that took place, but I would like to express myself, as a member of this House, that I think the hon. member for York South, who likes to talk of "democratic procedure," is abusing his immunity in this House, when he gives names of 4 people, and imputes to them the fact that they are appointed for other reasons than merit.

Until the hon. member for York South can prove that those people are not doing a job, he has no right to give names. He could give instances if he wants—but surely, 4 out of 16,000! When he names them, I suggest to this House he is abusing his rights of immunity by naming them, and imputing that they do not merit the position which they hold.

MR. MacDONALD: I would remind the hon. member that the last time I raised this in the House, from the government front benches was thrown the challenge, "Give us some examples, give us some names."

HON. MR. FROST: We have not any as yet.

MR. MacDONALD: I just want to say this, I have given you a few cases, and you will dispute it and say it is not political patronage or favouritism, but I will let the public decide on the issue.

MR. CHILD: They decided last June.

HON. C. DALEY (Minister of Labour): Mr. Chairman, in the last 13 years, I have never heard anyone make such a dastardly personal attack on anyone as the hon. member for York South has on me—not on any hon. member during the 13 years I have been here.

I have said many things about the hon. member's Party, and have tried sometimes to get a laugh or to get a "rise" out of different members of different Parties. However, for anyone as dirty-minded as the hon. member is, I cannot understand how people would have any faith in him, or send him into a representative Assembly.

MR. MacDONALD: Clean up the situation, just clean it up. Let the hon. Minister talk to the Civil Service Association, and find out whether or not I am "off the beam."

HON. MR. DALEY: If the hon. member does not think I meant what I said, let him try anything he likes, let him try something.

MR. MacDONALD: What did the hon. Minister say?

HON. MR. DALEY: Let the hon. member do something. Nothing would give me greater pleasure.

MR. MacDONALD: That is simply a passing comment, and meaningless.

HON. MR. DALEY: In 1944, in The Department of Labour, there were 118 people employed full-time, when I came in. Some hon. members of the Opposition and some hon. members of the government will remember that "Jim" Marsh was Deputy Minister; he was a very fine man, and was held in

the highest regard throughout the whole province.

As industry improved, we had to start taking on more people. Now we have 289. We had a boiler inspection staff of 7 then; now we have a staff of 28, and we would have a few more if we could get them. The whole staff has increased as it became necessary to put more people on. I receive letters regarding application from many of the hon. members of this House. Some hon. member says, "You want someone from my riding, as you are looking for an inspector; is there anything you can do?" I get such letters also from Opposition members.

I look at these applications, and send them, as a matter of course, to the chief of the particular department, whether it be factory inspection, apprenticeships, elevator inspection or something else. If they are interested, or if there is a place for someone, the party will be called in, and the Deputy Minister and the chief inspector will have a discussion with him. If he seems to have the qualifications and the general diplomacy, which we think would be required in dealing with these things — if the man seems to have what we want — in all probability he is hired.

MR. MACDONALD: May I ask a question?

HON. MR. DALEY: Over the 13 years, with young men coming out of the army, certainly there has been some from St. Catharines. Why should there not be some from St. Catharines? There have been some from other places also.

MR. MacDONALD: May I ask a question?

HON. MR. DALEY: There have been some from Windsor and some from all over the province. I have never done one thing in The Department of Labour of which I am ashamed.

Then the hon. member comes to my son-in-law. When I first came over here, "Jim" Marsh was the Deputy, and really did all the hiring at that time, as he was an experienced man, and I knew

very little about it. This can be proved because my present Deputy — he was not Deputy Minister at that time, but he was in the department — and I can say right now that if some explanation is required as to why I appointed him Deputy, I can say that I knew he had been brought in here by Peter Heenan, and I knew that my secretary, whom I retained until she retired a week or two ago, was brought in by Peter Heenan also. Politics did not make any difference to me in filling jobs with competent people.

This young "kid," of whom the hon. member speaks, had just returned from overseas, from 3 years' flying in the tail end of a bomber. He came back home and was looking for something to do. "Jim" Marsh knew this, and said, "Bring him down." As can be seen, he got a job. I do not know the exact amount of his salary, but, say, it was \$1,700.

From that time on that "kid" — and I am proud of him — was sent from one place to another. He was sent to London, and I saw him only when I happened to go there for a visit. He was working on inspection there, and one day Mr. Gilbert, who is the chief inspector, and Mr. Metzler came to me and said: "We have to bring somebody in to do certain work," work which Mr. Gilbert wanted done, as his assistant.

Mr. Gilbert said: "It might surprise you to know that we have picked on "Ron" Tertin. We think he has the qualifications we want." I said: "I do not like it. I hate to see him held back because of me, but I do not like it." Mr. Gilbert said: "He is the man who can do the job, he has demonstrated that, and he has the longest service here. I said: "Is there anyone in the department who should have this ahead of him?" and they said: "No, there is not a man with longer service, who should be promoted ahead of him."

And at this point, may I say that I am the one who really instituted the policy, certainly in my department, and from there it has spread to other depart-

ments, more, at least, than it was when we came into office, that there should be promotion from within, and I have followed that out most sincerely. Ever since I have been with The Department of Labour, if there is a promotion due, whether for a girl or a man, if it is possible to promote somebody, we have done so.

MR. MacDONALD: How can they know, when they do not list the vacancies?

MR. GROSSMAN: The hon. member must be proud of himself.

MR. MacDONALD: How can they know, when they do not list the vacancies?

HON. MR. DALEY: This boy is now the assistant to the chief inspector, at the chief inspector's request and at the request of my Deputy Minister, and against my thinking at that time. Then I thought, why should he be penalized, because I happen to be here? I may be gone at any time, and he has made this his life's work. He put in 3 years in the tail-end of a bomber, he did not sit around an office in Ottawa.

MR. MacDONALD: Do not get back to comparing war services now, just stick to the issue.

HON. MR. DALEY: I do not want to compare anything, but to say that a young fellow, who did what he did, should not be allowed to have gainful employment, because he happened to marry my daughter — and incidentally they were married after I came in here.

MR. MacDONALD: Mr. Chairman, I wanted to ask the hon. Minister a question which he would not give me an opportunity to have a reply to, while he was speaking. This is the question, and this is the basic point I want to make: where does the Civil Service Commission come into the story of how hirings take place in The Department of Labour? The hon. Minister talks about a "vacancy coming up," and that somebody "talks about it," he gets the

names, he passes it on, and so on, and after all that has happened, that name is passed on to the commission. That is precisely the point I am making, the Civil Service Commission is precisely the organization which should be making the appointment.

HON. MR. DALEY: How does the Civil Service Commission know the type of person and the qualifications I want?

MR. MacDONALD: If the hon. Minister were at all familiar with modern personnel procedures, he would know that when there is a vacancy to be filled, that vacancy is listed together with the qualifications required, and then when it is posted people in the department, or elsewhere, can make application for the promotion. But when it is not listed, how are we going to be able to fill the vacancy? The hon. Minister spelled it out himself, the commission "rubber stamps" appointments which are made, after they are made.

HON. MR. FROST: Mr. Chairman, may I point out that if there is merit in the statement of the hon. member that the civil service practices should be changed, I think it is legitimate for him to say so. But I do not think it is "playing the game", to bring it in as a personal attack against the hon. Minister, because his daughter married someone who was a civil servant.

MR. MacDONALD: I did not say that at all.

HON. MR. DALEY: Oh yes, the hon. member did.

MR. A. GROSSMAN (St. Andrew): Mr. Chairman, before this debate is closed, I think one thing should be cleared up. I know that the duty of the Opposition is to oppose and perhaps to point out weaknesses in legislation and government actions, also to make suggestions, no matter how strong they want to make them. This is an example, Mr. Chairman, of the type of innuendo and the type of "rabble-rousing" the

hon. member for York South is engaging in, and which I think is just done for the sake of doing it. I took the liberty, Mr. Speaker, of pointing out to him, when he was arguing on the basis of why we were taking away the rights of workers in taking them out from under The Labour Relations Act when they were employed by municipalities, I pointed out that he made the statement that this action was being taken by "anti-labour councils," and that after I pointed out that the official labour representative on the city council agreed and voted for the action taken instead of gracefully saying: "Well, I was wrong, I did not know that," he kept to the attack.

Let me further point out to the hon. member for York South that in the case of the city of Toronto, which is at least a fairly large municipality with a fairly large union representation, not only did the city council do that, but, if I remember correctly and I think I do—they did that because the unions wanted them to do it, they wanted to come out from under the Act.

MR. MacDONALD: If the unions want it, fine, but in other places the union does not want it.

THE CHAIRMAN: Order.

MR. GROSSMAN: The hon. member makes a lot of general, rash statements.

MR. MacDONALD: They are very specific statements.

MR. GROSSMAN: And in doing so, Mr. Chairman, he is not only doing a disservice to labour, he is not only doing a disservice to the public, but he is doing a disservice to our democratic state, because in this type of "rabble-rousing" he is doing everything possible to destroy the respect of the people for the democratic system.

MR. MacDONALD: Tut-tut.

It being 6 of the clock, the House took recess.



Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Wednesday, March 21, 1956

Evening Session

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

WEDNESDAY, MARCH 21, 1956

8 O'CLOCK, P.M.

The House resumed.

ESTIMATES, DEPARTMENT OF LABOUR (Continued)

THE CHAIRMAN: Vote 801.

MR. J. YAREMKO (Bellwoods): Mr. Chairman, I beg your indulgence again on a point of personal privilege. You will recall that just prior to the House rising at 6 o'clock the hon. member for York South (Mr. MacDonald) made the following statement:

I stated my opposition to toll roads and said I would go along with the report at that moment in support of toll roads, and out of our discussions was an agreement which I thought was a gentleman's agreement until it was violated by the hon. member for Bellwoods today.

I have discussed this point with the members of the committee with whom I could get in touch, and no one has indicated to me there was any agreement of any kind which would permit a member, having signed the report, to speak against toll roads.

Mr. Chairman, if there is anything I prize and I think if there is anything any hon. member of this House prizes, it is his word. I can assure you that if I ever give my word in an agreement—gentleman's agreement or otherwise—I shall maintain it, and never break it.

Mr. Chairman, I ask for the withdrawal by the hon. member for York South of the implication that I broke a gentleman's agreement.

MR. D. MACDONALD (York South): Mr. Chairman, I unhesitatingly am willing to withdraw it if the hon. member thinks I am criticizing what he thinks is right. I stated I felt it was a gentleman's agreement, and just in one minute let me recap what happened.

We started to discuss in committee what the report of the committee would be. I do not think any member of the committee was under any illusion but that I was opposed to toll roads. Out of our discussion—exactly how it emerged I cannot recall—but out of it emerged a solution which I remember the hon. chairman of the committee mentioning to me the next morning, a solution which would make it possible to bring in an unanimous report; namely, that we would support the principle of toll roads as the practical way of meeting the problem, with the clear recognition that there were many other ways to meet it. That would make it possible for us to say that toll roads are a practical way of meeting it.

They could come into the House and support it, and I could oppose it. Just to underline that was my understanding, when we discussed the draft, after the Legislative session actually began, we came to the first draft which read as follows with regard to the first recommendation, that toll roads are "the most practical solution."

I said distinctly, and I am sure every member of the committee heard: "Look, Mr. Chairman, I thought we had thrashed this thing out. You know where I stand. I cannot support this because I do not think toll roads are the most practical solution. I consider it is one of the solutions, but I do not agree with toll roads."

I stated that in committee, and I am not going to say anything more, but I submit in the light of that—and the records which will substantiate it—I gave no intimation in committee that I was anything other than opposed to toll roads in my present thinking, and that is what I was saying here.

If I mistakenly interpreted what I understood to be a "gentleman's agreement," and that I was accusing the hon. member of breaking his word, I unhesitatingly withdraw it. But I honestly felt it was a gentleman's agreement we had reached on principle, so that we could come here and give both sides of the story for consideration, as to whether or not the principle would have application in the province of Ontario. I think it is the duty of the government now to see whether it does apply in each specific instance, in the light of the feasibility reports.

Vote 801 agreed to.

On vote 802:

MR. J. WINTERMEYER (Waterloo North): Before you proceed with vote 802, Mr. Chairman, I would like to direct a few questions to the hon. Minister of Labour (Mr. Daley). I think I can get to the point very specifically. This is in reference to conciliation and in particular to the appointment of chairmen.

In order to expedite my question, I will say at the outset I am not concerned with any changes in the Act itself, but I am concerned with the possibility that something can be done about speeding up conciliation processes. I am prepared to acknowledge that by the very nature of conciliation, extensions of time have to be granted. I think in the words of the hon. Minister, there is an ac-

knowledge that in many instances conciliation is delayed, due to the fact that it is difficult to secure a good chairman. I think the words the hon. Minister used were, to paraphrase them: "The devil we know is better than the devil we do not know." I think there is a great deal of merit in that.

The direct question I would ask the hon. Minister is this: Does he think it would be possible to build up, not within The Department of Labour — because I do not think departmental men should be members of Conciliation Boards — but does the hon. Minister think it would be possible to build up a pool of personnel, capably trained, who could act as chairmen of these boards?

To be very direct and specific, I suggest a pool of men like Eric Taylor, who are specialists in this particular field, and who are respected by both management and labour. There are too few such persons at the present time.

Has the hon. Minister, or his department, given any consideration to the possibility of building up a pool of personnel of trained calibre, who could be of great assistance to the expeditious progress of Conciliation Boards' hearings? Do I make myself clear?

HON. C. DALEY (Minister of Labour): I appreciate very much the attitude and desire on the part of the hon. member to make suggestions which would assist us to improve the procedure. Certainly, I would be most happy if there were more people who would assume the responsibility of acting as chairmen on these boards and who had the necessary qualifications.

I might say to the hon. member that in our conciliation branch where we have 12 conciliators, we figure a new man coming in, with all the experience he might have had along this particular line, would take a year sitting working with the other conciliation officers before he really becomes useful to us, unless, of course, he is some exceptional fellow. That is one of the difficulties, getting conciliation officers, but I can say that the delay caused by us in that regard is at a minimum. I have not

spoken to my Deputy about this, but usually when the demand for a Conciliation Board comes to me, I turn it over to my officers who come back with some recommendation as to whom we will put on.

I would like to ask my Deputy how many Conciliation Boards are waiting, because of the inability to get a chairman, right at the moment?

He advises me that, at the moment, he is caught up. I have not spoken to him about this and, as I say, when the request comes in I send it right to him, and sometimes he comes in and talks to me, and suggests a certain person, or asks for my advice.

If there is a man whom we have had on a particular case similar to this, and had apparently done a good job on it, we try to get him. Sometimes, particularly in the holiday season, people are away, they say they would like to take it, but will not be able to do so for 2 or 3 weeks or a month, and then we have to try to secure somebody else. Sometimes we might try half-a-dozen before we get one man to take it. The field is very limited. There are people who are willing and able, but because of other duties are unable to act. There is some difficulty there, and if we could develop a panel upon which we could call, it would make things much easier for us, and we would be very happy if they could be provided.

In this field, I do not know what it is one has to have to be able to do it. While I have, on some occasions, been able to bring about some settlements, I consider I have half-a-dozen men in my department who are far superior to myself in this field of work. At one time, we started to appoint magistrates to see if we could not swell the numbers upon whom we might call, but, as you understand, people are busy with other things, and cannot get away for 2 or 3 days to act in matters of this kind.

There are many different factors which enter into it. The union has developed certain people whom they like to have looking after their interests;

the companies have a certain few whom they like to have look after their interests, and sometimes we have a situation—we had one just recently—where a judge was appointed and some member of his family died, and he sent word he would not be able to act for a few weeks, and it was taken up with both parties and they said they would prefer to wait for him, rather than have someone else. That, of course, goes down on the record as a "long delay", but actually the parties were in accord.

As I read in the letter, the union in that particular case—it is not always a union, it happens on the other side as well—requested an adjournment and it was adjourned, but when summing up of the facts, it looks like a long delay. When you consider that out of 1,219 cases—speaking from memory—probably 900 or more were handled quickly and in reasonable time, but, it is the one or two which for some reason, stand out, that bring all the criticism.

I think the suggestion is a good one, if I can find the people.

MR. WINTERMEYER: Do you think it would assist to increase the financial remuneration for the chairmen? Would that attract people who are not available at this time?

HON. MR. DALEY: As you know, I have an amendment which has still to be passed through committee, to delete the rate now in the Statute at a fixed figure of \$25 and provide a rate to be set by order of the Lieutenant-Governor. That is what we hope to do, in order to have a more satisfactory rate.

MR. WINTERMEYER: I think that is an excellent suggestion. That is the only way to attract a good panel. With deference, I suggest the people who are associated with the law, judges or magistrates, are not the best type of persons for conciliation. For arbitration, yes, where a decision is to be made one way or the other, but the job of a conciliation chairman is one of persuasion, and perhaps a little bit of collusion, and many things which very few people have.

I do think some of the conciliation difficulties would be overcome if somehow a panel could be built up, and an increase in the financial remuneration to a substantial status would be helpful, because certainly anything we pay by way of costs is nothing compared to the loss of time and effort.

HON. MR. DALEY: That is right. Vote 802 agreed to.

On vote 803:

MR. MacDONALD: Mr. Chairman, with regard to vote 803, I have a general and a specific question to ask the hon. Minister. The general question is: what are the figures indicating the number who are coming in to our apprenticeship training? We have had other debates on this in the House, and I think it is very important, and everyone seems to be in agreement that skilled workmen are important.

The specific question is this: yesterday, the hon. Attorney-General (Mr. Roberts) introduced a Bill which is trying to come to grips with a problem occasioning very widespread concern throughout the province, and that is the frequent occurrence of fires because of defective wiring. Just to give you one instance of the general concern, you may have noticed on Friday last the *Toronto Evening Telegram* had an editorial which concludes with this paragraph:

Responsibility lies with the Labour Department, the Attorney-General's Department, and the Ontario Hydro Commission to see that a remedy is applied quickly to conditions in this province which must not be allowed to continue. Is Queen's Park waiting for still more deaths?

The basic problem here, it seems to me, is, first, we have to find out where this job is going to be handled, and I want to submit to the hon. Minister of Labour that the appropriate place, in the light of the experience, and the departmental experience in many other provinces, is The Department of Labour. I draw your attention to the fact that

in the province of British Columbia, they have a director of what is known as "electrical energy", and in each of the other provinces, they have a chief electrical inspector and, under him, inspection groups which do the inspecting of new houses, and re-inspection of old houses, to try to cope with this problem, or catch up with this problem of faulty wiring, which is causing fires.

The first obvious requirement is for a very great number, more than we have available, of people who are trained electricians, as well as the whole problem of inspection and examination and qualification of those who are making the inspection.

For example, a year or two ago, we had the problem of building the DEW line—the distant early warning line—in Canada. My information is that we had to bring in hundreds of people from the United States who were skilled electricians, to do that job in northern Canada.

We have a great shortage of these people. My specific question is whether, along with the Bill which the hon. Attorney-General is bringing in to try to cope with this problem of inspection and re-inspection, there is any effort being made to step up the apprenticeship training, so that we will have more nearly the number of trained people to meet this need?

HON. MR. DALEY: Mr. Chairman, I mentioned yesterday in the House the assistance that is extended to those who desire higher education. I tried to point out that there were many fields for boys who were prepared to take apprenticeship training, and, if they are conscientious, and will study to become efficient, there is good, happy, gainful employment for them in these fields. I was not in any way deprecating the desirability of higher education.

MR. MacDONALD: I was not suggesting the hon. Minister was doing so.

HON. MR. DALEY: I know. Throughout the years I have been Minister, wherever there was an opportunity throughout the province, I have brought

this point before the young people. I have asked them to get into the trades, and have told them there were great openings. The electrical trade becomes more complicated year after year. A person who was considered a good electrician a few years ago would have to be continuously studying today, with the electronics and other things which have come into being. There are not enough electricians.

I know the hon. Prime Minister will say that on many occasions I have argued for the money we require, to endeavour to build up the apprenticeship training programme, not only in the electrical trade, but in everything else. What has happened in the field of electricity is that electricians have to do all the work which was required some years ago, plus the added things which have come into being, such as television, refrigeration, dryers, and so on.

The trouble is that when a man sees a wire exposed somewhere, he tries to do something himself, instead of calling in a skilled electrician. Sometimes a man fastens a wire, and plugs in some additional apparatus onto a line which may be already overloaded. It is that sort of thing the hon. Attorney-General is hoping to correct. When it is found that such things are happening, the Hydro will be able to take action.

I must point out that everyone should engage electrical contractors to do any electrical work required. No one should interfere with electric wiring. The Hydro has inspectors on that work at present. They inspect a job, when the work is done by a contractor. If there is plaster to be put on, and if there are fixtures to be placed, he inspects them before they are attached.

If a fireman detects something in someone's basement, which does not look satisfactory, he will be able, under the provisions of this amendment, to have the Hydro make an inspection. We hope, in that way, we will be able to eliminate some of these dangers.

I was a tradesman myself, and because of my background have always been greatly interested in providing for the youth, for whom higher education is

not available for many reasons. I hope the young people of the province will, in great numbers, take advantage of the opportunities offered in regard to apprenticeships.

MR. MacDONALD: Mr. Chairman, I am not quite satisfied about this matter yet. In regard to the hon. Attorney-General's Bill, I have not had a chance to read it, as it became available only today.

If we are to implement the Bill, it will channel the problem back to Hydro, and Hydro will be called in to make inspections. Hydro, however, cannot cope with all the inspections at the moment, and if they are faced with this problem, and also with the problem of re-inspecting homes built years ago, they will not be able to cope with either problem. Therefore, we come back to the basic proposition, that we must find ways and means of stepping up an apprenticeship programme, to provide us with trained personnel. Otherwise the Attorney-General's Bill will be meaningless.

In The Department of Labour, we must find more ways and means to attract people. I do not know what means could be taken to achieve that purpose.

HON. A. K. ROBERTS (Attorney-General): Mr. Chairman, I would not want to go unchallenged the statement that this Bill would be "meaningless." If a fire inspector of a local fire department, or the fire marshal's office, finds something defective, he can give notice both to the Hydro and to the person concerned. The person concerned must give his consent, and agree to be liable, but sometimes that person does not act.

We have had one or two occasions where, in the interval between the giving of the fire danger notice, and the repair, a fire has broken out and in some cases there have been fatalities. Under this new Bill, a fire officer who finds something wrong must notify the Hydro, and Hydro goes right in.

MR. MacDONALD: Mr. Chairman, this discussion would come more appropriately under the discussion on the Bill

itself. To come back to the general question of apprenticeship training, the hon. Minister of Labour is undoubtedly aware that there is the Provincial Institute of Trades, which has a school of training for skilled tradesmen, for those sent there as assigned tradesmen. A week ago Monday, I happened to visit that institute, as I mentioned on the Estimates for The Department of Education, and the principal told me the enrolment this year on these assigned trades is down 40 or 50 per cent.

My specific question, which has not been answered, was: what is happening to the number this year, as compared with last year? If it is down even 30 to 40 per cent., as compared with last year, and if that goes on for 3 years, there will be no apprenticeship training at all. That is simple arithmetic.

HON. MR. DALEY: Mr. Chairman, in these last few years, with the high rate of employment in industry, where wages are high, a young fellow who apprentices himself to some contractor, or some organization, will have to work for a few years for less money. He will benefit, if he can only realize it, by the security of employment, if he gains the knowledge of a trade. However, the difficulty is to convince a young fellow today that he should pass up \$1.50 an hour in a factory, and put in 3, 4 or 5 years as an apprentice. That is the difficulty, because of the almost full employment.

I have here some figures which show that 7,000 are under contract for instruction in assigned trades, and 2,200 will go to the school this fiscal year.

MR. MacDONALD: How does that compare with last year?

HON. MR. DALEY: It is higher.

MR. MacDONALD: Higher?

How then can the principal make a statement to me that the number in the assigned trades is down 30 to 40 per cent.? How can that be stated, when the figure we have is down from 30 to 40 per cent.?

HON. MR. DALEY: I think the hon. member had better leave that with us, and we will try to secure accurate figures.

MR. S. J. HUNT (Renfrew North): Mr. Chairman, in my riding, we do not know too much about the Labour Relations Board, nor any of these regulations we have heard so much about. In fact, we have very few labour problems down there. I do not know whether the hon. member for York South has visited my riding, which may account for that.

MR. MacDONALD: Oh, I have been there a dozen times.

MR. HUNT: I think this should have been brought up under vote 801—

MR. MacDONALD: Speaking about unions—

MR. HUNT: I will ask the hon. member to leave me alone, because I do not rise in my place very often. This matter concerns the recipient of Workmen's Compensation benefits. I have his name, but I will not mention it. He is employed by the selective service in our county town, and I would like to read one paragraph of a letter, which is signed by one of our leading medical men in the town of Renfrew. He said:

When he was employed with the Pembroke Superior Electric Company his salary was approximately \$232 per month. With rising salaries and the fact that he certainly would have received promotion his salary today would have been considerably higher. He is now drawing \$1,500 per year in his present position.

The Compensation Board allows him \$17 per month. Previously he was receiving approximately \$400 per year from the Workmen's Compensation Board. But for some reason that they did not explain to him in the past year, they have reduced it to \$17 per month. Now, how can a married man exist on \$1,704 per year in these days?

The question I wished to ask the hon. Minister was concerning this payment of \$17 compensation.

We listened to quite a tirade this afternoon on "political patronage." In that regard, the next paragraph reads:

Some time ago, examinations came up in his office for the position of Grade I for permanency civil service. Of the men who wrote these examinations, Jim's marks were the highest. Ben Hollinger, who is a protégé of Mr. Forgie, received the second highest marks and he was given the appointment on the grounds that he had a service record.

I want to place that on the record, and to advise the hon. members that political patronage does not only exist in Ontario; it also exists in connection with the federal government.

MR. MacDONALD: But it exists.

MR. HUNT: It exists everywhere. I have no fault to find with the appointment made in this particular instance.

But I did want to ask the question, Mr. Chairman, of the hon. Minister of Labour; is there any way of explaining why this reduction was made in this particular case, or what can be done to rectify it, and what explanation may I give in reply to the letter?

HON. MR. DALEY: I certainly cannot answer that, but if the hon. member will furnish me with the particulars, I will find out, and secure a reply for him. I cannot follow the thousands of individual cases which keep coming up. They will no doubt have reason. If it is fair, it will stand; if there is some new evidence, it will be reconsidered.

Votes 803 and 804 agreed to.

On vote 805:

MR. T. D. THOMAS (Oshawa): I do not know whether my question properly comes under this item, but I did not quite follow the hon. Minister when he was dealing with the regulations which are to be brought in. Before

the hon. Minister answers, I want to say that the union people are very, very pleased with the co-operation they have received from the hon. Minister, and I would like a little more information as to when these regulations will be made effective.

HON. MR. DALEY: They are in the draft stage now. We have tentative regulations, as of now, but as I endeavoured to point out yesterday, to impose regulations on these foundries in Ontario, which number in the hundreds, from small places where they may pour only a ton of metal a week, to the larger ones which may be pouring thousands of tons, is a difficult task. We have been endeavouring to bring the standards up, to secure better house-keeping and better ventilation, without imposing restrictions which will put these people out of business, so that all the employees will be out of work.

We have the tentative regulations, and are meeting with them. We had a meeting last week with the unions on this matter. We are attempting to bring the unions and management into agreement on a set of regulations which will accomplish what we want to do, without hurting management and perhaps putting employees out of work.

I cannot tell you when it will happen, but we are moving along.

Vote 805 agreed to.

One vote 806:

MR. D. MacDONALD (York South): With regard to vote 806, "operating engineers and related problems." The hon. Minister discussed this in part yesterday when introducing his Estimates, and gave us the explanation as to why, in some cases, the law is being violated — the explanation being the shortage of engineers.

The thing I could not get clearly in my own mind, in accepting that as justification for the situation, is that after discussing this with the unions — and members of the CCF were asked by the union to sit down and take a look at

this — they provided us with information which was checked with the operating engineers' board, and while it is possible that some of them may have changed in the last 3 or 4 weeks—

HON. MR. DALEY: They are changing all the time.

MR. MacDONALD: Here is a violation which has been going on for 8 years. This should interest the hon. member for Leeds (Mr. Auld). I cannot see, for the life of me, how violations can go on for 8 years without something being done to meet them. Surely the appropriate engineers could have been found in that interval. I am referring now to the Phillips Electric Company in Brockville.

The Stokes Rubber Company of Wel-land is another, where there has been a violation for 3 years.

Here is another from Brockville, Libby, McNeil and Libby; for 3 years there has been a violation.

As a matter of fact, the hon. Minister may be interested to know that The Operating Engineers Act is being violated in Queen's Park, in this building right here. Hon. members may laugh, but if as a result of this violation, the furnace blows up—

MR. MALONEY: That would be a good thing, if it would get the hon. member out of here.

MR. MacDONALD: Perhaps the few on this side will have the opportunity of escorting the other 84 hon. members into the next world, because—

MR. CHILD: We will probably go to a different place, anyway.

MR. MacDONALD: If the hon. member is going to be in one place, I would prefer to be in the other.

The engineers who have to write the examinations for the Board of Engineers—and I want to interject that I think that aspect of the board's work has been done very well—but the examinations they have to write, and the books they have to study, have impressed

upon them that steam is more dangerous than dynamite, if it is not handled in the correct way. So we are, literally, playing with fire.

The hon. member for Niagara Falls (Mr. Jolley) will be interested to know that for a good many months, in one of the major hospitals in his area, there was no qualified engineer in charge of a furnace located directly under the operating room. However, that has been looked after.

I would suggest it is similar to the electric-wiring proposition we were discussing before, in that it is not the sort of thing which can be ignored.

When I raised this question a few months ago—whether in a direct interview, or a comment in the press, there was an explanation given by the hon. Minister that it was due to the shortage of people. That may be the case, in part. But I have the actual number of engineers, and we find that the official figures show that there are available 463 first class engineers, 2,443 second class, 6,130 third class, and 8,033 fourth class, a total of 17,069 engineers, who are qualified for 5,200 registered plants.

While it is conceivable there may be shortages, I want to suggest to the hon. Minister that the reason there is a shortage is because this Act is not being enforced to a point where operating engineers have been able to reach the status they desire, and, thereby, increase their income, and the unions are quite convinced there are, literally, thousands of operating engineers who have left their jobs, and taken positions elsewhere, where they could receive better pay. I think if the Act were enforced, that kind of thing would not happen, and any shortage of operating engineers there might be, could certainly be met.

I think as a general proposition on this—and this gets me back to the theme of my earlier remarks on the department this afternoon—that here is another case where the law is being “winked at.” In some cases, there may be violations because a man who is just qualifying may not fully qualify for a year, and you

can “wink” at that, but 8-year violations cannot be “winked at.” I say, if the law is good, let us enforce it and if the law is not good, let us change it. And with 8-year violations in existence, we are faced with that alternative, one or the other.

HON. MR. DALEY: I can only say I was perfectly frank and honest yesterday when I said I would not disagree with the fact that there are violations brought about for many reasons. I gave one instance, and indicated that in one week, two of these men who were formerly second-class engineers, moved right in. There was a vacancy, requiring a first-class engineer, and they were there.

I think if my records were available—and they are not—they would show we are running The Operating Engineers Act in a reasonable and sensible manner. I think we are. We have very competent people. Of course, there are not too many plants which require first-class engineers, but if a second-class engineer or a first-class engineer has people under him, and has been operating that plant for years, and a vacancy is created at the top, should we just say: “Get a first-class engineer or shut that plant down”? I do not think we would get many marks for that.

Our attitude has been to meet this problem by encouraging people to go into that business, and we have been doing that to make sure the person left in charge, even if he does not have the qualifying certificate, is capable, and has proven over a period of years that he can operate the plant; to make sure it is safe, and to insist that the company advertises and tries in every way possible to get a competent and qualified staff. I do not know what else we can do, unless we close the plant.

MR. MacDONALD: Would the hon. Minister explain this to me, then. I am very serious about this because I spent days last fall, and a whole evening a month ago, getting this matter up-to-date.

Here is a man with a first-class certificate—I think it was out in the hon. Minister’s area because the first union

local I met with was in St. Catharines—who goes to a plant which has a boiler of a size which would require a first-class certificate. He tries to get a job there and they say: “Why should we hire a first-class man until we are forced to?”

The hon. Minister should admit the law is not being enforced. The plant management says: “You get the law enforced, and we will hire you.” The engineer wrote to the Board of Operating Engineers here and drew its attention to the situation.

He received a reply. I have the actual details, which are, in effect, that they ignored his request, and bluntly informed him that The Department of National Defence was in need of engineers—in other words: “go join the army if you are not satisfied where you are.”

MR. WARDOPE: That is not in the army. It was a civilian engineer they wanted.

MR. MacDONALD: Maybe they did, and maybe they did not. The point is he was told The Department of National Defence in Ottawa wanted the engineer.

This seems to me to be an evasion. The point I am trying to make is that because of the fact the law is not enforced you have cases of both men and management being confused as to what is required, and, therefore, being inclined to violate the law a bit more.

If the hon. Minister is correct in saying that there must be a flexible interpretation of it in some instances, so that you wilfully violate the law, it strikes me the law should indicate that is a legitimate way of going about it.

Going back to my basic thought, if it is a good law, let us enforce it. It was amended in 1953. If it is not a good law, let us change it. I do not know how anyone can get around that.

HON. MR. DALEY: It is a good law, and it has done a good job in this province and, I presume, in other provinces. I know a few years ago we sent our top man to Newfoundland to set

up a system for them. They wrote to me and asked for help, and at our own government's expense we sent a man down to set up a system.

It is a good law, but there has to be some flexibility. I frankly admit I do not know of a better way. I do not know if we should shut a plant down and throw 100 or 1,000 persons out of work, because of one man, who is quite capable from experience in operating the plant, but does not have the certificate. Why should we just stop everything?

If there is a first-class engineer in this province who is out of work, and will take a job, we will get him one almost immediately.

MR. MacDONALD: In this specific instance I cited, why would not the board say to this plant whose boiler required a first-class certificate: "All right, live up to the law"? The plant was willing to hire him. He is right in the hon. Minister's area, I can get the hon. Minister the name if he likes, and he can look into the case.

That is the kind of thing which leaves me puzzled. I can see the nature of the problem here, and one can make an argument for a flexible interpretation of it, but here is a plant not living up to the law. The first-class engineer writes in and says: "Why is not the law enforced, so that the plant will live up to it?" If it had been enforced, they were willing to hire him, but the board does not make the plant live up to the law but says to him: "Go to The Department of National Defence in Ottawa. Pull up your roots from the Niagara Peninsula, and go to Ottawa."

HON. MR. DALEY: I do not approve our board members advising people along that line. I will check on that. But, as I pointed out in one case yesterday, the difficulty is the difference between a first-class engineer and a second-class engineer was only 19 horsepower, and it actually did not make a bit of difference, except technically according to Statute.

I think the law is being enforced. Some suggestions have been made to

me that the law should be changed to enable a second-class engineer to handle a higher ratio of horsepower. Possibly his experience would be quite ample to enable him to do that, and it might correct this to a great extent.

However, I do not know that I would be in favour of it. I would have to give it much thought, because I feel we have been operating in this field very sensibly. The cases of damage and accidents are very small, in comparison to what is going on in this province.

Of course, I cannot sit in on these things myself, but I think we have very competent people over there. Mr. Sharp has now left us, because of his age, and I do not think there was a more capable person in that field in this country. He left just a few months ago, and we have a good man coming on. I do not know what we can do that we are not doing, providing we make sure the plant is safely operating.

MR. MacDONALD: I hope Queen's Park does not blow up.

HON. MR. DALEY: I know the union complains. It will always complain about that.

MR. MacDONALD: If there is a violation of the law, they have a legitimate complaint.

HON. MR. DALEY: I would say so. I do not make any bones about admitting that, if there is a violation.

Votes 806, to 809, inclusive, agreed to.

On vote 810:

MR. A. H. COWLING (High Park): On vote 810, the chairman of the committee on government commissions wanted me to bring to the attention of the hon. Minister, a resolution which was passed by the committee, for his consideration. It says:

This committee urges to the hon. Minister of Labour the expansion of the facilities of the Ontario Athletic Commission in order that amateur sport may be encouraged to a greater degree.

That was approved by the committee.

Speaking personally, Mr. Chairman, I would like to say that just a few years ago the late Robert Saunders set up an organization in Canada to improve our sports and our Olympic trials, and what-not. This organization was called "The Canadian Olympic Training Plan." They did a great job. We had representatives from Toronto visit all the provinces and engage in sports and athletics of every description, and bring the best from all the other provinces down to the Canadian National Exhibition.

There they had a great track and field day. I think generally the scheme was very helpful to our sporting activities here, and certainly did go a long way towards helping Canada's representation at the Olympics.

I do know our government is donating \$10,000 to the Canadian Olympic Fund, which is a very fine gesture. But I think insofar as amateur sport is concerned, particularly here in Ontario—and I know the hon. Minister is interested in sport as are all hon. members—it seems that maybe we should be doing more for our amateurs. I know it takes more effort, and costs a little more money, but amateur sport is a good foundation for the young people in our country.

I sometimes wonder if we should not perhaps take another look at the word "amateur." There is a very fine line drawn between "amateur" and "professional sport", and I wonder if the time has not arrived when we should take a look at that situation, and let us find out who are the amateurs and who are in a professional class.

I know when I was active in sports, as long as we produced a certificate of our age, we could play the game. Today, the situation has altered, and it is a little difficult to define the term "amateur."

I am suggesting to the hon. Minister that the Athletic Commission could well look into this matter, and it may be advisable to set up a committee to investigate it. They could have a look at it, and generally review it, and see what they could do with this set-up.

Mind you, the commission is doing a great job, I know the Budget is larger this year than it was last, and as the hon. Minister has said, they have assisted, by furnishing sporting equipment in answer to 280 or 300 requests, and that has been enlarged this year, so we are headed in the right direction.

I wanted to bring this matter to the attention of the hon. Minister.

MR. R. WHICHER (Bruce): Mr. Chairman, I would like to say something about this, too. In vote 810, the heading is "office of athletics commissioner," and one would think when looking at that, that it was rather a large department, but when we look at the budget of \$32,300, and see that last year it was only \$20,500, we appreciate it is really a very, very small thing.

I suggest to the hon. Minister if this is the only amount of money which is being put in year after year — I agree there is more this year — it is not sufficient to really have any effect on a large province such as the province of Ontario. I think more money should be put into it, and we should organize this province so we have more physical fitness and more amateur sport.

I would like to associate myself with the remarks made by the federal member for Brantford, Mr. J. E. Brown, in Ottawa, on January 13, and I will quote from *Hansard*, because I think we can well think it over:

The relatively poor showing made by Canadians at the British Empire games at Vancouver in the summer of 1954 served to focus attention on the state of physical fitness in Canada. I am told that many of our contestants at running, swimming and jumping were unable to finish the course and were among the first to give up. To contest successfully in these sports requires endurance and stamina to a marked degree, and endurance and stamina in persons are developed by physical fitness.

Physical fitness tests made in Europe show that European people are far ahead of Canadians. In tests

made there only 8.7 per cent. of European youngsters failed. In certain strength tests made in the United States 35.7 per cent. of the children failed, but only 1.1 per cent. of European youngsters failed in the same tests. In Austria and Switzerland, only .5 per cent. of the youngsters failed. I am satisfied that European nations have Canada badly beaten in the matter of physical fitness.

This is an Olympic year and I wonder how Canada will do at the Olympic games? I read the other day that Russia has 4 million men in training from which will be selected the teams to contest the Olympic games. Of course this is done to show the world what can be done by communism. Therefore physical fitness is an important matter, I believe a vitally important matter when one remembers the number of rejects for military service at the time of the last war on the ground of physical unfitness. I wonder what would be the number of rejects in a similar emergency today? Not only is this a matter of health, I believe it is also a matter of national defence and is truly a part of our fight for democracy.

HON. G. H. DUNBAR (Provincial Secretary): Mr. Chairman, I would like to ask the hon. Minister of Labour how much was in the federal government Budget last year? I would like to know how it compares with this little amount we have here.

MR. WHICHER: I have not the slightest idea how much Ottawa is giving for this.

HON. L. M. FROST (Prime Minister): Mr. Chairman, this is a familiar matter in this House. The federal government, some years back, induced us to go into a physical fitness programme in this province, and their agreement, I think, was to pay 50 per cent. of the cost of physical fitness. They got the provinces into it, and last year they withdrew their grants, and left us with the programme. This programme happens to be in The Department of Edu-

cation, and we are carrying it on now without any grant from Ottawa. In other words, they got us into it and left us "holding the bag," and I will tell the hon. Provincial Secretary that there is nothing in the Budget at Ottawa for this matter — nothing.

HON. A. K. ROBERTS (Attorney-General): I would tell the hon. member for Bruce if he has not enough hockey players in his own riding to prove for himself, let him come down and watch the Toronto Hockey League. There is nothing wrong with our boys. They can stand up to any boys of their age in the world.

MR. WHICHER: Mr. Chairman, I did not enter this debate with any idea of having a fight across the aisles. I can tell the hon. Prime Minister this, if the federal government withdrew their support, I disagree with it.

HON. MR. FROST: You are not alone in that. The Prime Minister of Nova Scotia very bitterly disagreed with it at the last Dominion-Provincial Conference, so you are in good company.

MR. WHICHER: But, just because they have withdrawn, I feel this is a large enough and wealthy enough province, in spite of some of the stories about being poor, to be able to fight our own battles.

HON. MR. GRIESINGER: Do not back water.

HON. MR. DUNBAR: What did Brown do in Brantford?

THE CHAIRMAN: Order.

MR. WHICHER: The point is this; if we are only paying \$32,300—

HON. MR. FROST: I would ask the hon. member to look at the Estimate of The Department of Education. There is \$357,000 there.

MR. WHICHER: Mr. Chairman, what the hon. Prime Minister says is very true, but we are not talking about that now.

HON. MR. FROST: I know, but this commission is for the purpose of providing a tribunal for matters relating to boxing and wrestling where things of that sort can be passed upon. The promotional end is under The Department of Education. This vote is in connection with the athletic commissioner, who sees that "Whipper Billy Watson," and those fellows do a good job.

MR. WHICHER: I am very glad to hear that. I hope the government will take credit for the fact that "Whipper Billy" has done a very good job.

HON. MR. FROST: Certainly, he is a great fellow.

MR. WHICHER: It would not surprise me a bit if they did. However, I am very glad to know that there is \$350,000 in the Budget of The Department of Education. I certainly agree with that.

HON. MR. FROST: The hon. member ought to congratulate us on what we are doing.

MR. OLIVER: You do enough commending of yourselves over there.

MR. WHICHER: But on the \$32,-300 Estimate; it does not seem to me that a great deal can be done for the little people, who are not professional boxers or wrestlers, and I should like to associate myself with one of the hon. members who happens to sit on the government side of the House.

HON. MR. FROST: Is there not a community centre in Wiarton?

MR. WHICHER: We have not, as a matter of fact.

HON. MR. FROST: The hon. member ought to move to Lindsay, we have a "dandy" there.

MR. OLIVER: We expected that.

MR. WHICHER: I agree with all the things the hon. Prime Minister is saying, but we are talking about this particular one now, and the point is that

if the federal government is going to withdraw—if we had some leadership in this province, and I am speaking in a sporting way when I say that—I think we would all feel much better. I am glad to see the figure has been raised from \$20,000 to \$32,000, but I suggest a more realistic figure could be taken.

While it is not necessary that we win in such events as the British Empire Games, or the Olympics, nevertheless, I think it is far better when we give our athletes a chance to win, and if they receive proper coaching and leadership from such an association as this, through the office of an athletic commissioner, I think all of us would be much happier.

HON. C. DALEY (Minister of Labour): I find it very difficult to argue against the hon. member or against my colleague here. I have always been very much interested in sports. I believe it is a great thing for the young people, that this commission, as the hon. Prime Minister has said, covers boxing and wrestling, and other sports, to make sure that if there is going to be a boxing match, the contestants are somewhere nearly equal in ability, so that some fellow does not get his "head knocked off" in one of those so-called "amateur fights."

I would never want to get into the position of trying to decide what is an "amateur" today. Even the young lads have their hands out, as hon. members know. The only thing left today, of which I know is strictly amateur, is rowing.

HON. MR. DUNBAR: An "amateur" is one who takes what is offered and a "professional" is the man who looks for more.

HON. MR. DALEY: What we are doing with this money is encouraging other people to become more active. For instance, pretty nearly every city and town has service clubs. Hon. members will find they are all taking an interest in sports, sponsoring some youngster's team, or supplying them with sweaters or some other sports equipment, and we help out in that way. I would not want

the government to assume the responsibility for doing this, because immediately that happened, these other people, who have been doing it, and doing a good job, are going to drop out and say: "Oh, the government is going to do this now, we do not have to." The Canadian Legion in nearly every town sponsors pretty well every sport, hockey in winter, and baseball in summer, and they all do a good job. What we are doing is giving a little help where it is requested, and we could stand a few more requests, even though we did supply 180 organizations—not individuals, Mr. Chairman, but organizations—last year, and some of them, it will be found, included as many as 500 youngsters who were being taught how to play games, and, principally, to give them something to do other than running the streets.

I do not know that I agree that we should endeavour to operate this thing on a province-wide basis because, as I said, the private citizen and the legion and the Canadian Corps and such organizations will drop out of it if we do.

We have some money for the Olympics and I might say we have a request for those training for the Olympics and we will certainly try and do a little something for them too, but I think the thing is working well and is developing in this province more sports-minded youngsters.

MR. T. L. PATRICK (Middlesex North): Mr. Chairman, I wonder if the hon. Minister would inform the House in this respect: I am under the impression that the athletic commissioner collects a certain fee for boxing and other bouts; could he give us an idea just how much has been collected each year, or say during the past year, in this way?

HON. MR. DALEY: \$31,000 last year, based on 2 per cent. of the gate.

MR. MacDONALD: Mr. Chairman, a week or so ago, before the Government Commissions, we got the first half of a report from the athletic commissioner, and if the committee ever meets again,

presumably we will get the other half of the report regarding his activities. May I say quite frankly to the House that I was extremely disturbed by the kind of report we got at that time. I think everyone on the committee could not help but come away with the feeling that the athletic commissioner—apart from the good work in supporting amateur sport, and I would like to associate myself with the two hon. members who have spoken favourably of this programme—at the moment, is in the midst of a raging feud between various promoters.

MR. OLIVER: In Toronto.

MR. MacDONALD: In Toronto, not out in the good, clean, fresh countryside. I do not want to get into this feud at all. I am not interested in it. But the thing which interested me, when I took a look at it, and was supplied with some information, is that I think once again we have a situation in which the law is being winked at.

For example, section 60 of The Athletic Controls Act, subsection 2, reads as follows with regard to wrestling:

The word "exhibition" shall appear in the advertising of professional wrestling.

Personally I concur with that, I like to look at a wrestling match about once every 6 months to sort of remind me what can happen to human beings in the mass. I think it is an entertainment, not a sport. But the Act states specifically there shall not be any advertising of professional wrestling unless it is described as an exhibition.

Now look at the papers. Here is an advertisement, Jack Dempsey was refereeing a match between Lou Thesz and "Whipper" Watson. There is no word of "exhibition" in there. The Act is being violated. If the Act is a good one, let us enforce it; if it is not, let us change it.

MR. G. LAVERGNE (Russell): What is wrong with that?

MR. MacDONALD: They are not living up to section 60 of the Act.

MR. LAVERGNE: May I ask the hon. member a question? Does the hon. member believe that he is God's gift to this province? Does he believe for one minute that he is the only person who knows everything, or does anything that is right? Is everybody else wrong, and bad and crooked? That is what the hon. member would lead us to believe here, hour after hour.

MR. MacDONALD: Mr. Chairman, let me draw attention to one or two other cases. There is a dispute among lawyers as to whether this is a case or not, but I think it is something which should be looked into, and perhaps the hon. Minister should give it a bit more attention, in order to get some of these feuds settled. This is a question as to whether or not men who are professional promoters should be putting on what are described as "amateur shows." The people who are putting on the weekly amateur shows at Palace Pier are professional promoters. This is a violation of section 1, subsection 1 of the Act. If it is a violation, something should be done about it.

There are many other cases. There is, for example, the case of a fight which took place on January 9, between Johnny Arthur and James J. Parker. One of them was a man who has been banned, for medical reasons, in New York State. That information is passed on, yet he was permitted to take part in a fight here. The athletic commission should not have permitted the fight, but they explained, as quoted in the *Toronto Star*, that the secretary had not time to look back over the lists to find out the man had been banned for medical reasons. In that case, there might have been a death in the ring. That has happened before.

There are many such cases, and I would be glad to pass this brief over to the hon. Minister, as it lists many of what are believed to be violations of the Act. If they are violations of the

Act, then I come back to my theme that if it is a good Act, we should enforce it, but if it is not, we should throw it out, or amend it, as that is our responsibility.

HON. MR. DALEY: The hon. member says that a man should not be a "professional promoter." How could he be anything else, if he is promoting? He is doing it to make some money, and when he makes money he is a "professional." An amateur swimmer may swim across the lake, and accept a purse on this side. Then he becomes a professional.

How is one to operate these things otherwise? Are we to have someone who does not know anything about that particular sport, someone who has no connection with it? These people who operate these amateur fights—I never go to see them—are people who have certain connections with other promoters across the country, so that they can fill a card and get a good show for the people who come to see it. They could not be other than professional promoters.

MR. MacDONALD: What about the other points? What about the violations of the law, which states you must advertise all wrestling matches as "exhibitions"?

HON. MR. DALEY: I think that is just a technical matter. It does not mean very much.

MR. MacDONALD: Then we should change the law.

HON. MR. DALEY: Oh, the people can read. They know what it is. They know they are going to see a wrestling bout.

Vote 810 agreed to.

On vote 811:

MR. R. GISBORN (Wentworth East): Mr. Chairman, I would like to ask a question. It is in regard to the type of inspection. How many inspectors are there?

HON. MR. DALEY: We have a number of inspectors and, although they are not all skilled men, they are the best we can get. We started out with 5, and if we can add a couple more, we will do so.

Vote 811 agreed to.

HON. G. H. DUNBAR (Provincial Secretary): Mr. Chairman, I would like to make a suggestion, now that we have finished some of the rough times in these Estimates. I intend to see the hon. Minister of Lands and Forests (Mr. Mapledoram), and pay for a fishing licence for the hon. member for York South, if he will promise to go to the Lakehead some time when the black flies are bad, and do some fishing there. He might catch some scavenger fish. If he goes, I will provide the licence.

MR. MacDONALD: I do not know, but I will accept the licence.

ESTIMATES, DEPARTMENT OF AGRICULTURE

HON. F. S. THOMAS (Minister of Agriculture): Mr. Chairman, at the outset, before dealing with the Estimates, may I extend to the hon. member for Dufferin - Simcoe (Mr. Downer) my hearty congratulations on his election to the office of Speaker, and also my sincere congratulations to the chairman of the Committee of the Whole House. Already during the session, both of those hon. members, have, by their example and capabilities, shown their fitness for the positions they now hold. Therefore, I offer them sincere congratulations.

May I ask for the indulgence of every hon. member of the House in saying that, before we get to the Estimates, at which time I will be prepared to answer for the department for which I am responsible.

Agriculture is one of the oldest and greatest of professions, but it has been rendered perhaps more lip service than any other profession. Periodically, when farming prices hit a low point, or when agriculture commodity prices are down,

which is the same thing, everybody in the country has a great deal to say about the economy of the country, and agriculture in relation to it. However, times have progressed, changes have taken place, and over a long period of years, since the development of this country, we have made progress in agriculture.

Early in the present session, when the debates on the motion for an address in reply to the Speech from the Throne were proceeding, the hon. leader of the Opposition (Mr. Oliver) made some reference to The Department of Agriculture. I listened to his remarks very carefully, and I read them very carefully as well. I also read the remarks of other hon. members, pertaining to agriculture, and I listened to many of them.

The hon. leader of the Opposition was quite right in saying that originally, when The Department of Agriculture was born many years ago, the theme was on "production." I would like to point out to him, however, that a percentage of our time is devoted to production now, for the reason that the farmers demand that we do everything we can in the way of research in soil, crops, fertilizers, and such things, to help them with production.

So long as there is a Department of Agriculture, irrespective of what government or Party is in power, that department will be charged with the responsibility of devoting some of its time to the question of the production of farm crops.

Not only have we devoted our time to developing certain new varieties, better methods and so on, but we have devoted much of our time to decreasing the cost of production of farm crops, which is very important, particularly in this age.

After all, those of us who farm — and there are a few of us in this House who do — are confronted with the problem that we must operate our business like any other business. We have to operate it on the basis of the greatest volume of production, at the lowest possible cost. Therefore, as individuals, that is our individual problem.

Collectively, that may cause a surplus of certain commodities at certain times, due to weather or other conditions. Last year, in certain parts of the province of Ontario, notably in the counties of Essex and Kent, part of Lambton, and in the very extreme western part of Elgin — probably one of the best productive areas, and a place in which I have been living for 29 years — we had one kind of weather, but in the rest of Ontario there was extreme drought, and different conditions entirely.

Therefore, I would emphasize this point especially for the hon. leader of the Opposition, that never will any Department of Agriculture be out of the production field. The department must continue with research, and do all it can to find methods of production which will help the farmers to do the major job they have to do at the least possible cost.

One of the things to which I would like to draw the attention of the House is that, in spite of the fact that we have heard a great deal about cash crops in Western Ontario, and some in central Ontario, the mainstay of agriculture in Ontario today is still livestock and livestock products. Out of every cash dollar the farmer receives, 70 cents comes from his livestock and livestock products. I wish to emphasize that, because even where I live in southwestern Ontario, where we have a definite trend towards cash crop farming, and a lessening of livestock, the trend has come back to livestock again, as part of our economy. That is a very sound trend, which I prophesied 3 years ago, and which I have recommended on many occasions.

The hon. leader of the Opposition said The Department of Agriculture has not mentioned anything pertaining to marketing. At least, that is the gist of the remarks in *Hansard*. May I point out that last December I was at a Dominion-Provincial Conference and if the hon. leader of the Opposition had read the western press, he would certainly have known what I said about western marketing. In fact, I was severely criti-

cized by the western press in regard to my statements, which I made after the western Ministers had made theirs.

The western Ministers made their statements to this effect, that they expected immediately the farmer in western Canada, in order to use his low-grade wheat and course grain, would go into the production of hogs and poultry, into which he could go readily, and, in the long-range view, the wheat farmers would be the big farmers, operating a large area, and the rest of the people would be producing livestock on smaller farms.

When my turn to speak came, I made the observation that if such were the case, and if it happened — and I think it will happen — then the production of livestock in western Canada will be a very serious question for the livestock farmers in the province of Ontario, because, where a farmer in western Canada, with his lower overheads, lower operating costs, and lower feed costs, produces livestock, he can ship to Ontario markets in competition with our people, who have higher costs. This results in a situation which may be a little difficult. However, we have not arrived at that particular point yet.

May I also point out to the hon. leader of the Opposition that I endorse whole-heartedly The Price Support Act, the floor on butter prices, and all the things which have to do with marketing, in which the federal government has taken part.

No municipal or provincial government is in a position to do the necessary things in marketing entirely. May I illustrate that point? We have inter-Canada trade, inter-provincial trade and international trade. For something over 3 years now, I have been asking Ottawa — and this government has been supporting it, of course — to do something about the tariff on cheese. We had guarantees for the cheese producers. We have not lost any money, but we have helped them over the hard times, and the whole of the dairy industry has been helped over the difficult times of the past 4 or 5 years.

That has been the case particularly with the duty of 5 cents a pound on cheese coming into the country from foreign markets; from British countries, other than New Zealand, at 3 cents a pound; and from New Zealand at 1 cent a pound.

I said a moment ago that no municipal or provincial government could deal with these matters which primarily are federal. I think it is the responsibility of the federal jurisdiction—due to inter-provincial and international trade which involves tariff and many other things—to take some definite action with respect to any support of prices which may be necessary for the good of agriculture.

I find that managing The Department of Agriculture is just like farming, you have to take the long-range view, but you have the daily chores to do at the same time.

At this time, and during the last 4 years, and probably for the next 4 or 5 years, we are going through a periodic adjustment. I know that only 38 per cent. of the farmers of Canada make a gross income of \$1,200. Most hon. members know that. I also realize to the full that the net income of the Ontario farmer is down 38 per cent. in the last 4 years. At the same time, I realize, and I know by my own farm operations, as other farmers in this House know, that our costs have increased, we find higher costs of labour.

In western Ontario, last year, unskilled labour was at least \$1 an hour, and even then you could not get it. Since last fall, parts and machinery have gone up from 7 per cent. to 10 per cent. We are forced into mechanized farming, higher labour costs, and yet have this reduced income. The solution is not easy, but I would like to point out to this House, this government has done some things which have never been done before, and I want to deal particularly with what we have done with marketing.

I think criticisms voiced in this House or outside, in relation to Ontario's farm marketing scheme, are best met by the results of the operation of this scheme.

There is every reason to be encouraged by the progress which has been made in the orderly marketing of Ontario's produce. We have every reason to be encouraged by the progress which we are making in this field.

In fact, Ontario seems to be becoming the marketing experimental centre of this continent. This province has 3 times as many marketing schemes in operation as there are in the 9 other provinces combined. These include 18 marketing plans, regulating or controlling 30 groups in the province of Ontario.

In addition, Ontario is the only province or state in North America where the Wholesale Fruit and Produce Terminal Market, and Toronto Union Stockyards, are both self-liquidating public utilities, operating in the interest of the farmer. I would point out to the hon. leader of the Opposition that during the election, he made reference to the stockyards at Guelph, I think it was, and I replied, and I would again like to inform this House that this government never spent one dollar actually on the stockyards.

I will admit that, due to the times, certain other aspects and conditions of this day had an influence, but we did not spend one dollar, and the report was tabled here a few days ago for the last 8 years. May I point out that there is not a stockyard in North America which offers higher salaries, gives better service, and charges less than Ontario stockyards.

In passing, I would point out that in addition to meeting all obligations, including depreciation and amortization, the Ontario Food Terminal Board has shown substantial net earnings on its operations. We have been surprised at the successful operation of that particular plan.

As the hon. Prime Minister has stated in this House, this government has built up its farm marketing legislation, and has given of its very best; there has been no half-hearted effort in this connection, and I can bear witness to that, because I have been a very integral part of it.

The hon. leader of the Opposition has suggested that the marketing legislation should be strengthened, and notice of our intention to do that was given in the Speech from the Throne at the opening of this session.

During the past year, the authority of our agricultural marketing operation was challenged in law, and as a result the federal government, on request by this government, agreed to refer a stated case to the Supreme Court of Canada, for opinions on all points of law. Once the decision of the Supreme Court is announced, appropriate legislative action will be taken by this House, if found necessary to strengthen and broaden our Marketing Act to the fullest extent requested by our agricultural and farm marketing groups, and in regard to any remedial legislation necessary by the federal interests, the government of this province will make the strongest possible representation to the government of Canada to enact whatever is required, in order to supplement the existing provincial legislation.

Now I would like to say something specifically about the Marketing Board. Evidence of the concern and interest of this government in the problems of marketing is evidenced by the fact that, during the past year, the personnel of The Farm Products Marketing Board of Ontario has been extended and enlarged. Three new members have been added. Previously the members were civil servants who were part-time members and had other duties.

One member added to the board was the livestock commissioner, for the reason that 70 cents out of every dollar the farmer receives comes from livestock, and livestock products.

The second member was a leading livestock representative from the county of Russell, and I put him in as a full-time member of the Marketing Board. He is very familiar with the dairy industry, and has experience, not only in eastern, but in northern Ontario as well.

The third member I brought in was one to whom the hon. member for York South might object. He came from Elgin

County, and was a successful manager of a co-operative, which did \$4.5 million worth of business last year, increasing it from \$200,000 to \$4.5 million.

He was the kind of business man we were looking for. I do not know about his politics, but he is capable of doing a job on the board.

Ontario's agricultural organizations are well aware of the concern of the government in meeting their very many marketing problems. During the conference of the agricultural organizations there were representatives from various farm groups who spoke on behalf of the farmers of Ontario.

Ontario agriculture, during the past year, can best be described as "spotty."

Some of the southwestern towns, to which I referred previously, had one of the best seasons in their history. Other sections were extremely poor, as I have indicated. The gross income for 1954 was \$1,092 million, and the gross for 1955, was \$1,020 million.

However, here is the "rub": the net value of the production in 1954 was \$380,081,000 and in 1955, \$390 million.

The farmers continue to find themselves caught in the "squeeze" to which I referred, between increased prices for machinery and materials in connection with their operations, without a commensurate return for their product. Fruit and vegetable production increased, but brought lower prices. The combined production of fruit and vegetable growers increased by 8 per cent. over 1954 with a reduction in price of 21.2 per cent. The return increase in the net income of 1955 is due to the fact that two-thirds of the 1954 tobacco crop was shown in the 1955 figures.

Incidentally, the tobacco crop in 1954 was about \$70 million.

In addition, part of the apparent increase is due to the increased product inventory. The volume of fruit and vegetable crops was up 8.1 per cent., as I mentioned, and the prices averaged, on the whole, 12.6 per cent. lower.

The apple crop was one which gained in production; in fact, across Canada,

every apple tree from Nova Scotia to British Columbia showed an abundance of apples. It increased from 3,010,000-odd bushels in 1954 to over 4 million-odd bushels in 1955. It was up, in fact, over 30 per cent.

The drop in farm ceiling prices proved a hardship for apple growers in comparison with the decline in 1955. The decline in the case of apples was from \$1.74 a bushel to 82 cents; sweet cherries from \$6.91 to \$5.26, grapes from \$87 a ton to \$76 a ton, pears from \$1.77 to \$1.63 with other fruits showing a similar decline.

It is estimated that the farm value of the fruit crop in eastern and northern Ontario for 1955 was \$1,986,000 for the province as a whole. The value of the fruit crop production was down 12.7 per cent., amounting to \$191 million for the province as a whole. The farm return for the 12 months, from fruit and vegetables, amounted to \$19-odd million as against \$20-odd million a year before.

A word about the outlook for 1956. According to those who profess to be experts in this field, the present state of our economy is likely to continue throughout the year. New houses are being built, of course, in great numbers. There is great industrial expansion in this province. Our population is increasing, and with labour gainfully employed, we hope to have an increase in the live-stock production and the farmers generally will have an expanded market.

According to the present prospects, cattle marketings will be higher this year than last. There is also reason to assume hog markets will increase over those of last year. Milk producers also expect their rates to increase this year, unless there happens to be a hot, dry summer prevailing, to play havoc with the normal trend.

Agriculture, generally, will improve due to our expanding population and greater increased industrial activity, but there is no doubt in my mind as to the ability of the Ontario farmers to meet the challenge of this period of temporary "growing pains."

The resourcefulness of the Ontario farmer has been illustrated by the increased production of our farmers, despite the decreases in acreage throughout the province and the output of the Ontario farmer has increased since World War II by 75 per cent.

This is perhaps best illustrated by the fact that in 1837 a farmer produced enough food for his family and one other person. In 1900 he produced enough food to feed his family and 7 other persons. In 1955 the farmer produced enough food to feed 11 other people besides himself and his family.

Today the Ontario farmer produces enough to meet his own needs and the needs of 23 other people.

The Department of Agriculture is fully aware that the adjustments required in agriculture can be brought about only if both The Department of Agriculture and the farmers play their full parts in the farm schemes. The Department of Agriculture can help with a suitable policy, adequate research, divisional services and encouragement by providing adequate marketing legislation on a long-term basis.

May I emphasize again that regarding marketing, we provide the legislation, and if the farmers so desire, they have a vote and if a sufficient majority of them vote, then it is possible to carry out their marketing programme.

I emphasize again — because so often we hear people talking loosely about marketing—the legislation is here, and, until proven otherwise, this government considers it legal.

I may say again, I have done my very best, with my colleagues, to do everything I can not to disrupt any existing organization in the commodity marketing field, and not to do anything until the Supreme Court decision is handed down, which might have a tendency to upset any marketing plan.

In that connection we have had the co-operation of producer groups and trade groups as well as commodity producers.

I shall not speak longer, because the hour is getting on. I just want to say one other thing.

It has been a great pleasure for me to be associated with other provincial Ministers of Agriculture from time to time. Each year we have an annual meeting. Last year we had our meeting in New Brunswick.

At that meeting I happened to be selected as chairman of two committees, and the committees which were appointed, with myself as chairman, were able to achieve two things of great importance: first, we have arranged with hon. Mr. Gardiner — although we were turned down on the first approach — to call a meeting on April 19, to discuss the marketing of farm products in Canada, and in attendance will be the provincial Ministers, and the appropriate officials.

In addition we are having a meeting with hon. Mr. Gardiner to discuss land use and conservation.

Ever since I have been a member of this government, as the Minister of Public Works and again as the Minister of Agriculture, I have stressed that the Dominion government should do something for Ontario, as they did in The Prairie Farm Rehabilitation Act in western Canada, and The Marsh Land Dike Act in the Maritimes, because this province is growing so fast, and we need so quickly the methods and money whereby we can put back to proper use the land which is not the best land for farming; in other words, to state it very simply, I think we are entitled to federal aid.

We have made the first approach and have an appointment for a meeting in regard to land conservation, a programme which will mean so much to the farmers of this province, and the people of Ontario as a whole. I am hopeful that something will come out of that meeting.

It will take too long for any provincial government to do it alone, but I am happy to report to the House that an arrangement has been made, and I am looking forward to it with hope,

and I know the hon. leader of the Opposition will back me up in that, because he was a member of the conservation committee, and if it so happens he is in Ottawa, anything he can do to further this end will be greatly appreciated.

Vote 101 agreed to.

On vote 102:

MR. T. D. THOMAS (Oshawa): Can the hon. Minister tell us in which item appears the grants to communities?

HON. MR. THOMAS: The agricultural and horticultural societies branch.

MR. THOMAS (Oshawa): How much was granted last year?

HON. MR. THOMAS: \$300,000.

MR. F. R. OLIVER (Leader of the Opposition): May I ask the hon. Minister about the situation regarding agricultural representatives? How many have been added to the force this year, and in how many counties have additional assistant representatives been placed?

HON. MR. THOMAS: I must confess this is one of the most difficult years we have ever experienced. As a matter of fact, five-eighths of the graduates from the Ontario Agricultural College are going home to run their own farms, which is a very happy condition. I am not objecting to that.

We have canvassed the Ontario Agricultural College, MacDonald's Institute, the province of Saskatchewan, Winnipeg, and Manitoba, and so far we have only come up with about one-third of the people we require to go on this extension work. We have actually 13 associates and 16 assistants, but that is only about one-third of the need.

MR. F. R. OLIVER (Leader of the Opposition): When the hon. Minister says it is only about one-third of what is required, may I ask what will the outcome be? Will he keep some present representatives on past their times, or will there be counties in which there will not be sufficient representation?

HON. MR. THOMAS: We will have to give sufficient representation. It may involve delaying the superannuation of some men who might be retiring. We will have to take on third-year men, instead of the fourth-year graduates.

Votes 102 and 103 agreed to.

On vote 104:

MR. H. A. WORTON (Wellington South): Is that where the DVS comes in?

HON. MR. THOMAS: That is under "livestock branch."

MR. D. MacDONALD (York South): May I revert to vote 103 for a moment?

THE CHAIRMAN: Yes.

MR. MacDONALD: I would like the hon. Minister to make a statement as to why the government feels that the request by the Ontario Federation of Agriculture for the setting up of a Department of Marketing is not a valid one.

Let me spell it out a bit, because it is clearly one of the major problems facing farmers at the present time.

I was interested to discover that whereas consumer purchases of farm products—I am trying to find the exact figures; this is between 1951 and 1954, throughout all of Canada—were raised by \$417 million, the farmers' returns in the same period dropped \$84 million on the same items. This is pointing up what seems to me to be a very desperate problem from the point of view of the farmers—something which I think this government should take note, because farmers, in their thinking, are straying from the "traditional" path, as the hon. member for Ontario (Mr. Dymond) would describe it.

The brief of the Ontario Federation referred this year to the shift in the economic pattern of Canada, which has greatly lessened the free competition to a stage where they believe it is near the vanishing point. This new economic pattern is void of the traditional free

competition, and is one characterized by a struggle for economic power. I agree with the federation's brief, because I think it is factual. For a long time, our farmers have not had free competition at all in the marketing of their products. I think that is the psychological background to their request for a Department of Marketing, and I wonder why the government cannot accede to their request. What is the general reaction, particularly on the part of the business world, on the plight of the farmers? I have a sheaf of press comments on the Ontario Federation of Agriculture's brief. May I pick one, which is perhaps the most exaggerated, but it shows the typical reaction of the business world to the effect that free competition has disappeared and that farmers have had to step in to meet the problem.

I am quoting now from an editorial in the *Toronto Telegram*, dated December 6, 1955, by Fraser Robertson, financial editor, in which it says:

To the barracks men! Tear up the paving stones! Blow up the subway! Smash the Cadillacs: If you don't turn out you'll be a traitor to fashion, according to the doctrine enunciated by the Ontario Federation of Agriculture. It has just issued its manifesto on the struggle for economic power.

The farmers, of course, are not asking for such a demonstration of solidarity with their social and economic philosophy. But we city folks should be making, surely, some gesture while the farmers are busy stamping out competition and establishing equality in the market places. . . .

The farmers want compulsory marketing legislation, as a means of fixing prices where they would like to see them. That, of course, would require extension of controls in two directions — into the farm, to regulate quantity and quality of production, and into processing and retailing to keep the public from buying baked beans instead of cabbage.

That is in sort of a facetious vein which fails to recognize that the farmers' needs create a very important problem.

Last week in a special convention on "marketing", I notice that Charles McInnis, head of the Hog Producers' Association, had something to say about individual rights being violated, when they tried to get some plan which would meet their needs. Mr. McInnis has this to say:

When I hear these arguments about our individual rights in shipping our farm products — individual rights which really are of no particular value to us — I look at those who lament the loss of these inconsequential rights and am puzzled to think that, although they are full-grown men, they have never got beyond the bottle nipple stage.

The farmers are getting tough because of the reaction of the business world, which I suggest—and I hope I do not get into an argument on this—has been the enemy of the farmers throughout. What is the government's reaction to it? Why is it not a fair proposition to have a Marketing Department which will attempt to meet the many needs?

Mr. Chairman, if I may put a second question before sitting down. A year ago, in the federal House, one of the federal members of Parliament—I believe it was Mr. Fulton, from British Columbia—asked the government to look into something which is highlighted again by the fact that the consumption was up by \$417 million in the last 4 years, yet the farmers are receiving \$84 million less for their products.

He says that there should be an investigation of this price spread. Clearly the producer is getting too little, and the consumer is paying too much, or at least there is far too great a spread, and he asked for an investigation of that spread.

The answer from the federal government was, in the first place they were not going to do it and, in the second place, it was a provincial responsibility.

The Conservatives at Ottawa are interested in looking into this. The federal government rightly or wrongly felt that if it is going to be looked into, it has to be looked into at the provincial level.

So my second question is: has the government given consideration to looking into this, by way of a Royal commission or a select committee, or what? I think it should be a group of experts, not a group of amateurs trying to find out about it, because it is a complicated problem. But has the government given any consideration to that kind of investigation to try to meet the desperate needs of the farmers?

HON. MR. THOMAS: In reply to question No. 1 which I have sort of lost track of in the confusion of words, but which I presume to be why we do not set up a Marketing Department?

MR. MacDONALD: That is right.

HON. MR. THOMAS: I am replying only as Minister of Agriculture. I do not appoint Cabinet Ministers. But I want to make myself abundantly clear. I am not opposed to a Minister of Marketing, I have so stated to the Federation of Agriculture, and to all those who have approached me.

But might I point this out? We have a Department of Marketing, I have gone what I think — and what this government believes — is as far as we can go, until the Supreme Court decision has been rendered in regard to farm marketing legislation, which provides the wherewithal for the farmer to operate under The Farm Marketing Act.

Then it is his next move. If he wants to come in, there is the Act, it has the marketing agency features and it has the negotiating scheme. I have had experience, as hon. members probably know, as an agricultural representative. In that position, a great deal of my time was spent on marketing problems. A great many of our extension men are working on marketing all the time, in a very quiet way, with farm groups and

with organizations. Now, where do you cut off "Jekyll" and bring in "Hyde"? You have to have some place where you have to be practical.

MR. MacDONALD: Well, the Federation of Agriculture must be familiar with this, why do they ask for it? That is the thing which puzzles me.

HON. MR. THOMAS: The reason they ask for it is that is what they think they want. I am replying that I think we have the very thing they want, by setting up the Department of Marketing, in principle. We just set that up last year, and when we receive our answer from Ottawa, plus the administration and the powers that are needed under federal and provincial legislation, then I think we will have the answer to that problem.

There is not any doubt in my mind about that. The hon. Prime Minister may want to say something about that, but that is my personal opinion.

MR. OLIVER: Before the hon. Prime Minister speaks, Mr. Chairman, I would like to say a few words on this subject. The hon. Minister, in speaking tonight, made an informative remark when he said that in Ontario there were more marketing schemes than in all the rest of Canada put together. I think that is the expression he used. Well, of course, that statement adds grist to the mill of those who feel that there should be a full Department of Marketing in this province.

If we have, as I believe to be the case, more marketing schemes in Ontario than in the rest of Canada, and some other provinces of Canada, with but a fraction of the marketing schemes, see that we, in Ontario, have seen fit to set up a Portfolio of Marketing, it would seem to me that that is a mighty strong argument behind the urging of the Federation of Agriculture for a Portfolio of Marketing in this province.

HON. L. M. FROST (Prime Minister): Mr. Chairman, in the last few years there has been a very great development in farm marketing, as the hon. leader of the Opposition knows,

in this province. The marketing branch is under the direction of Mr. Perkins, who is probably the outstanding man in that field in Canada. The establishment at the moment of a Department of Marketing is not as simple, nor would it be as effective as it might at first appear. It must be remembered that the co-operative marketing branch, and some other branches, have developed very greatly, and are a part of the whole piece. If you segregate from the department certain things and place them into another department, there will be divided control, and it will not have the effective administration which now exists.

That is of course due to the fact that you have The Department of Agriculture, on the civil service side under the Deputy Minister Mr. Graham, with his men who cover not only livestock, cattle and that sort of thing, but fruit and grains, and all the rest of it. If you divide that, and set up a Department of Farm Marketing, a great deal of the effectiveness of the team play which you are getting at the present time will be lost. I think the hon. leader of the Opposition will agree with that, and he can see the point involved.

The extension of farm marketing has been very great. It is our intention that it will be very much greater. As time goes on, we will, of course, be strengthening that particular branch, whether it will take the form of a separate department or whether it will perhaps more logically take the form of a department within a department, where you keep the team play and the effectiveness of all these experts under these various headings, is a question which will, of course, have to be determined.

The job we have done so far, the greatest by all odds in Canada, is under Mr. Perkins, and under the section relating to it in The Department of Agriculture, where he is supported by the heads of the many other branches within the department, and I might say again that our Department of Agriculture in Ontario is second to none in Canada.

I envisage a greater development. Whether that might be more properly

and effectively done by a department, or by an enlargement of the organization we have, I cannot say. May I point out to the hon. leader of the Opposition that what should be done is the very best thing which can be done under all the circumstances.

MR. OLIVER: May I add, Mr. Chairman, that I doubt very much if there is a heavier portfolio in the provincial government than that of the hon. Minister of Agriculture.

HON. MR. FROST: That is right.

MR. OLIVER: If he discharges the responsibilities of that office in a manner in which the people demand that it should be discharged. The farm people of Ontario, in spite of the fact that their numbers are decreasing, are still spread all over the province and, unlike some other departments where they may be satisfied with seeing the Deputy Minister, the farmers of this province have always exercised what they believe to be their right, and that is that when they come to Toronto they see the hon. Minister, and he is expected to travel all over the province to all kinds of functions, as the hon. Prime Minister will appreciate.

The hon. Prime Minister just said, and I agree with him, that we ought to do the best we can for the still basic industry of agriculture. It can be expected, reasonably I would suggest, that in the years to come there will be many more marketing schemes than we presently have in this province, and that the load presently carried by the hon. Minister of Agriculture will be still more onerous in the years that lie ahead, and that, as the number and complexities and the consequent work of these marketing boards increases, there will be loaded onto the hon. Minister of Agriculture a responsibility, which no human being can properly carry.

I suggest in all sincerity, there is not in this particular utterance at least, any political intent at all. I look upon this as something of the gravest importance

to the farm people of this province. So I hope that in the near future the opinions and conclusions of the hon. Prime Minister will put him in the position where he will recognize that the best job which can be done for agriculture can be done only by dividing the present responsibilities carried by that office, and giving a completely new portfolio to a Minister of Marketing in this province.

HON. MR. FROST: Mr. Chairman, may I point out that, in connection with administration, of course, that affects not only The Department of Agriculture, but other departments. I am sure that the work, for instance, in The Department of Highways is so great that it is almost beyond the capacity and the physical energy of one man. Another department is The Department of Lands and Forests, the fish and game branch. The difficulty, Mr. Chairman, is that if these departments were to be divided and Ministers were to be appointed, the hon. leader of the Opposition would say: "How many Ministers is this government going to appoint?" As a matter of fact, I could right now divide half-a-dozen of our departments, and have plenty of work for the additional Ministers. I can assure the hon. leader of the Opposition of that.

MR. OLIVER: Are you sure you could find the Ministers?

HON. MR. FROST: The hon. leader of the Opposition would be the very first to go up and down this province, objecting about the number of Ministers who were being appointed.

MR. OLIVER: The hon. Prime Minister is just guessing now.

HON. MR. FROST: I am following the pattern of history. I know the hon. leader of the Opposition very well. I have watched him for a good many years in the House and outside.

MR. OLIVER: The hon. Prime Minister is a great historian.

HON. MR. FROST: To get away from any political implications which the hon. leader of the Opposition is anxious to avoid, and which, I assure him, I am anxious to avoid—

MR. WHICHER: Say that with a smile.

HON. MR. FROST: The hon. leader of the Opposition is or was a farmer.

MR. OLIVER: Is a farmer.

HON. MR. FROST: I thought the hon. leader of the Opposition sold out.

MR. OLIVER: I bought again.

HON. MR. FROST: The hon. leader of the Opposition is back in it again?

MR. OLIVER: Back in again.

HON. MR. FROST: I think the hon. leader of the Opposition is a practical farmer.

We have the Co-operation and Markets Branch under Mr. Perkins. The hon. leader of the Opposition suggests we appoint a Minister and take Mr. Perkins away.

This afternoon, we had a very important Bill introduced in this House, in connection with brucellosis. In case any of the hon. members are not farmers, I would say that brucellosis is Bang's disease or a contagious abortion. The hon. leader of the Opposition knows very well that that has a great deal to do with marketing. As a matter of fact, if nothing is done about it, you may find our cattle will be ultimately barred from certain markets in America, and certainly from other markets in the world.

How can you take Mr. Perkins away from his connection with the livestock branch? Does the hon. leader of the Opposition think that would be a good thing? Does he think it would lead to a better administration or would it lead to a divided administration?

MR. OLIVER: The hon. Prime Minister does not suggest it is impossible? They have done it in Saskatchewan, and other provinces. Why can we not do it here?

HON. MR. FROST: When we do not have to try to do the impossible—

MR. MacDONALD: They do the impossible in Saskatchewan.

HON. MR. FROST: But why try to do it? Why not try to do it in a way which is more reasonable? We have 55 agricultural representatives in Ontario. The agricultural representative in the county of Grey, I am quite sure, is a very able man.

MR. OLIVER: He should be, he has been there for 25 years.

HON. MR. FROST: Alright. He deals with crop improvements, with farmers' clubs, young people's organizations, and a host of other things, and in addition to that, he stimulates and helps in the matter of farm marketing in his community. Are we to take Mr. Perkins away, and separate him from those duties, or set up duplicate branches? I just mention these two points in these Estimates, and I point out to the hon. leader of the Opposition that again it is the most effective way of doing things.

I think the representation which was made by the Federation of Agriculture was based on an extension of the headlining of the matter of farm marketing, and in that I am in entire agreement. We have, in the past year, had to straighten out this tangled matter of farm marketing; we have had some very difficult situations.

I can tell the House that in connection with the application to the Supreme Court of Canada, all of the provinces are supporting the province of Ontario in connection with the validity of our farm legislation. That would not have been necessary at all if the federal government had been prepared to carry out the arrangement of last April or May, to provide for supporting legislation to our farm legislation.

It is not necessary for me to call upon the hon. Minister of Agriculture here for proof of that. I could call upon the hon. Ministers of Agriculture of any of the provinces in relation to that. The

federal government feels it should not pass such legislation as long as there remains a doubt that our legislation is valid.

MR. OLIVER: They had a reasonable position.

HON. MR. FROST: It was reasonable to an extent, but it was so much in doubt, that, in the first instance, they agreed to pass the legislation. As a matter of fact, I went so far as to congratulate hon. Mr. Gardiner for passing the legislation, and then I found I was a little previous about it. I found in July they had changed their minds in relation to what they had decided to do in May. The legislation was reasonable, from a lawyer's standpoint, but I am not so sure it was reasonable from a practical standpoint, because I think we are going to face the situation again anyway.

MR. OLIVER: The hon. Prime Minister would never agree that anything they did was reasonable, anyway.

HON. MR. FROST: Sometimes when they treat me right—which is very seldom—I say they are reasonable. I try my best to get along with them, as with other people.

In connection with the representation of the Federation of Agriculture in regard to a Minister of Marketing, or a Department of Marketing: that will be considered, and I can assure the hon. members we will continue to give our whole-hearted support to farm organizations, as we have in the past. I think the truth of that is evidenced by the fact that we have made more progress in farm marketing in the last dozen years than ever before in the history of this province, or any other province of Canada.

MR. D. MacDONALD (York South): Mr. Chairman, may I just add this one word; the hon. Prime Minister lays his chief emphasis in making a case against setting up this board—

HON. MR. FROST: I am telling you the facts.

MR. MacDONALD: —on the division which would arise by separating these people from a department of which he believes they are an integral part. I want to suggest two things, one which has been done, as the hon. leader of the Opposition has indicated, in one province. It was done in 1944 or 1945, in the province of Saskatchewan.

I think if you look at the situation there, there is no serious problem because of the division. All you have to do is come back to your own government. Is there any serious problem in getting necessary co-operation between The Department of Highways and The Department of the Attorney-General on something like highway safety? Surely two departments of the same government can co-operate. If there is going to be any overlapping it could be sorted out. The main argument that they are going to be divided does not seem to me to be a completely persuasive one.

Finally, I ask the hon. Prime Minister or the hon. Minister of Agriculture if they have any comment on my second question, asked earlier, on the equally important problem of price spreads, and whether or not the provincial government is willing to make the investigation to see if they can give the farmers some guidance toward getting more farm income, by doing so at the middleman level.

HON. MR. FROST: May I say the real answer is in farm marketing, in our judgment.

HON. MR. THOMAS: As a matter of fact, may I inform the hon. members that our Department of Economics is continually in this business to which he refers. In addition may I point out at the last session, the hon. Prime Minister agreed to appoint a select committee, but between the agreement to appoint the committee and the actual naming of it, the case came to a point where it was referred to the Supreme Court, so it just was not sensible to have this committee investigating something that is before the Supreme Court, and the committee question was dropped at that time.

On vote 104:

MR. OLIVER: In regard to the Milk Control Board. I understand that the milk control legislation has been referred to the Supreme Court, together with other marketing schemes, for clarification and interpretation.

If that is a fact, and I think it is, does that mean there cannot be any move to contest the legality of the Milk Control Board's actions, while the case is pending before the Supreme Court?

The case at Brampton would suggest that the Act itself is weak in that it does not have the word "prohibit" in it, and it is invalid to that extent. If one wants to carry it through to the bitter end, so to speak, it simply means the decisions of the Milk Control Board over the years could be reasonably upset, and furthermore it means, it seems to me, that new applications for new licences would be granted according to the decision in the Brampton case.

What I want to find out from the hon. Minister — and I imagine I know the answer, but I want him to say from his own experience — is: does the fact that it has been referred to the Supreme Court stay any proceedings against the Act until a decision is rendered by the Supreme Court?

HON. MR. THOMAS: My advice, and my understanding in reference to licences, all turn on The Milk Control Act. In the meantime, no action is taken on any application by the board pending decision of the Supreme Court. That is my legal advice.

MR. OLIVER: Can any action be taken against a decision of the board rendered last year?

HON. MR. THOMAS: Not according to the legal advice I have.

HON. MR. FROST: The hearing is on April 24, I understand.

MR. OLIVER: Is it definitely set for that date?

HON. MR. FROST: Yes.

Votes 104 to 107, inclusive, agreed to.

On vote 108:

MR. G. INNES (Oxford): On vote 108, I would like to ask the hon. Minister if he is considering a maximum provincial grant for the case of buckthorn and barberry, increasing it from \$400 to a maximum of \$2,000, under The Soils and Lands Act? In some of the counties in western Ontario they are trying their best to clear off some of the brush which is so thick along the roadside. In some of the waste land, as hon. members know, the oats are destroyed by rust, and I was wondering whether any consideration has been given along that line.

I know grants are given in the northern sections of the province to clear up waste land, but in the southern sections, which were cleared years ago, it is becoming contaminated by the brush in its original state. I was wondering whether the hon. Minister was considering raising the allowance?

HON. MR. THOMAS: Two years ago we doubled it from \$200 to \$400, and we have not given any consideration to raising it at the present time.

MR. INNES: I believe they are asking a maximum of \$2,000 at the present time. In my own county last year, they cleared up several townships, but it was insufficient, and I feel there is dire need considering the land was originally cleared down here, and is now over-grown with brush.

HON. MR. THOMAS: I will be happy to take another look at it and review my resolutions.

MR. OLIVER: I want to go back to vote 107. I wonder where the hon. Minister got the words he employs in vote 107, where he says:

Services and travelling expenses in connection with recruiting, transporting and placing workers in farm camps, and on farms; advertising; publicity; rentals for necessary offices; necessary expenses of local agricultural committees for commando labour.

Where in the world did we get that sort of language into an agricultural Estimate? Why do we call them "commando labour"?

HON. MR. FROST: We have a paratrooper.

HON. MR. THOMAS: We got it from Ottawa. We share 50-50 and Ottawa wrote it in, and we just copied it.

MR. OLIVER: No matter who wrote it, I want to keep it out. The hon. Minister made a facetious reply.

HON. MR. THOMAS: It is a truthful reply.

MR. OLIVER: Does the hon. Minister say the federal government shares the expense of this item?

HON. MR. THOMAS: Yes, dollar for dollar.

MR. OLIVER: That would be sharing.

HON. MR. THOMAS: The word "commando" actually came into use during the war, and it came in co-operation with Ottawa, as I told the hon. leader of the Opposition.

MR. OLIVER: I do not care by whose co-operation it got in. I think we can well remove it.

HON. MR. THOMAS: We will rewrite it next year. It is a little late tonight.

MR. H. F. FISHLEIGH (Woodbine): On vote 109, I would like to thank the hon. Minister through you, Mr. Chairman, for the co-operation he gave to me on pests. Professor Heming of the Agricultural College was very helpful, and came to Toronto on a number of occasions, and visited those whose homes were infested with termites. He knows the situation. I do not expect that a professor will come over every time, but I would like it, in the future, if requests from my riding,

or any other riding, could be referred to his department.

He is an expert and he could perhaps send a student to investigate. I certainly would not want him to come as he has in the past, because he is a very busy man, and it would not be fair to take him away from his duties. But I would like to thank the department for the help it has given.

On the humorous side people think termites are a funny animal, but if you had them, Mr. Chairman, you would not think it was so funny.

Somebody has invented a Geiger counter to find them. I have a letter from "Jim" Band, the Deputy Minister of Welfare, who says:

BAD NEWS FOR TERMITES

A new sound detector reveals their hiding place. It's a highly sensitive electronic device designed for use by a trained operator. When the operator taps on the floor or a beam with a screwdriver, the termites respond by banging their heads against each other on the wood. The detector picks up the sound of the banging, and the exterminator gets down to business.

I do not suppose the department would buy any of these electronic "gadgets," but I do hope they will co-operate with me in the future, as they have in the past.

Vote 109 agreed to.

MR. G. INNES (Oxford): I would like to know if this is where I should raise the question I already mentioned in connection with cattle?

HON. MR. THOMAS: Right now, under "livestock."

MR. INNES: I understand the hon. Minister has been extending this service throughout the counties, but I would like to ask him if it is correlated to the percentage of cattle in each county, or are they designated by counties?

I understand there is quite a shortage of inspectors at the present time, and

there are a great number of herds requiring this service.

As the hon. Minister said, it is his ambition to raise the economic production of each farmer.

I think this is one place where he can really excel himself, and do a job for the farmers, if he co-operated along that line. I would like to ask him if there is any particular number in any of the counties.

HON. MR. THOMAS: At the moment, we are not behind in our requests. There must be 22 farmers organize themselves into a county improvement unit, then we provide a man to do the testing. It is not tied down to the number of cattle, but there must be 22 farmers. So far, we have been able to meet any requests made to us, and there is no shortage. If the hon. member for Oxford has any requirements in that respect, we shall be glad to help him.

MR. INNES: I think I have some.

MR. P. MANLEY (Stormont): I would like to ask the hon. Minister how many farmers are taking advantage of The Warble Fly Act. Has the number been on the increase or the decrease?

HON. MR. THOMAS: It is on the increase. There are 226 municipalities now.

MR. MANLEY: What was the number a year ago?

HON. MR. THOMAS: It was something over 200.

MR. INNES: Mr. Chairman, if someone says I should not ask this question, I can reply that I was not here in other years to ask it, in regard to the warble fly. I know this trouble is spotted all over the province, and that the matter is not compulsory in any particular county.

If we are spending money on this eradication at all, we might as well do it properly, and put some teeth into our effort, instead of doing it on a

hit-or-miss basis. There are townships in our county which are in the same predicament, and I am sure the case is the same in many other counties. We are just defeating the purpose of the Act, and wasting time and money, if we do not make it compulsory over the whole of the county. At present, it is left to each municipality and I feel we are not accomplishing anything by not making it compulsory.

HON. MR. THOMAS: We have been trying to work progressively on this matter. As is known, it is done on a petition which bears the signatures of 22 cattle owners in the municipality. Brucellosis is treated in the same way, and we hope to meet with success, in the fullness of time.

MR. INNES: I hope the hon. Minister has learned his lesson from The Brucellosis Act, and from experimenting with this matter. This is along the same lines. I feel that we defeated the purpose of The Brucellosis Act last year, as there were so many people skipping it, and it was not possible to make them come into line. Actually, the purpose of the Act was defeated, and everything was delayed for a year.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Chairman, I agree with what the hon. member for Oxford has said. The hon. Minister perhaps has not heard of it, but I can assure him that these warble flies are very intelligent creatures. They know the particular municipalities which are going to make war on them, and they move out into a nearby municipality where there is indifference, and where nothing is being done against them.

The only way to attack them successfully is to do it over a broad area. Speaking seriously, I say that the hon. Minister has been experimenting with this for some time. The time has come now to wage an all-out battle and to eradicate them systematically over a concentrated area, where all the townships are included.

It is completely foolish to have 2 or 3 townships enforcing this law, and to

have the township next to them where the law is not being enforced. That does not carry out the purpose of the legislation, and the sooner we get to the point of making it mandatory over large areas, the sooner we will come to grips with this problem.

The progress which has been made so far has been negligible. I say that very definitely. Until we are really serious about the matter, and blanket a county, we will not make any real progress. We have been foolish for too long in regard to this problem, and we should be doing something effective about it.

MR. R. ROBSON (Hastings East): Mr. Chairman, our progress has been, and will be, slow, and never will be effective as long as we keep the enforcement down to the municipal level. If a nearby municipality does not enforce the Act, the warble fly will just fly back again and the first municipality will have to carry out the treatment every year.

It would be a good idea if, with the experience we have gained up to the present, we tried to enforce this Act on a county level instead of on a municipal level. That would cover a bigger area and so would keep the fly from doing such damage as it does when enforcement remains at the municipal level.

MR. G. C. WARDROPE (Port Arthur): Mr. Chairman, it may seem strange that I have not risen before, but in northern Ontario I am number 7. I want to mention that we have some 1.5 million acres up there of arable land, and I invite any of the southern farmers to come up, if they are short of water.

The hon. Minister, in his report, mentioned the federal services which are available in regard to livestock for northern Ontario. We are satisfied with the federal services which are being granted at the moment. Perhaps the hon. Minister is not aware of the fact that is a great potential area, as far as beef raising and shipping is concerned. I would like the hon. Minister to give us some idea as to what part of that \$256,000 and \$33,000 goes into northern Ontario.

HON. MR. THOMAS: The \$33,000 goes into food services and there is assistance in addition in regard to livestock shipping in northern Ontario. We pay the freight.

Vote 110 agreed to.

Votes 111 to 114, inclusive, agreed to.

On vote 115:

MR. D. MACDONALD (York South): Mr. Chairman, there are two questions I wish to raise on this vote. The first is in regard to the item for wages for casual labour. Could the hon. Minister give some indication as to what kind of casual labour this is? Could he say how many are "full-time casual labour," and how many are "part-time casual labour"?

The second question is as to the reason for the delay in erecting the new buildings for which, if I am right, appropriations were passed 2 or 3 years ago, and in respect of which the sod-turning has been completed, yet really nothing has been done?

HON. MR. THOMAS: Mr. Chairman, in reply to the second question, regarding the turning of the sod, that question was raised in the House by the hon. member, and I have tabled a reply to it.

MR. MACDONALD: I am sorry. I did not see the reply.

HON. MR. THOMAS: It is all in the answer which I gave. In the reply to the other question, it concerns student labour, temporary maid service, and so on.

MR. MACDONALD: There is "student labour" mentioned down further, "\$15,000."

HON. MR. THOMAS: The hon. member refers to wages, at the top, "casual labour." That is on a monthly basis.

MR. OLIVER: While we are on the Agricultural College vote, I want to ask the hon. Minister a question in relation to some of the utterances of one of the professors at Guelph. It is remarkable what comes out of these

fellows at times. This one is taken from the *Globe and Mail*, January 9, 1956, and it is headed:

MOVE TO THE CITY,
PROFESSOR URGES POOR FARMERS

"There are too many farmers in Ontario," Professor Campbell, head of the Ontario Agricultural College, Department of Economics, told the marketing and co-operation short-course now in session at the college.

He claims that studies of farm income, food prices, agricultural labour, productivity and distribution of income among Canadian farmers, disclosed in census figures, substantiate this claim.

The solution, the professor said, was for farmers and farm organizations to encourage low-income farmers to seek employment in more prosperous urban industries.

It is only realistic to do this, the professor went on, for the good of low-income farmers and for the good of agriculture as a whole.

Well, I would just comment on that, Mr. Chairman, by saying that I do not know that the "low-income farmers" have ever been a very great problem for agriculture or anyone else. The farm people, speaking generally, and including the low-income farmers, have been pretty well able to look after themselves, and how a solution is going to be arrived at by suggesting they all move to the city, it seems to me that would only add insult to injury.

I am wondering if the views of the hon. Minister coincide with those made by the professor.

HON. MR. FROST: The hon. leader of the Opposition has given his comment on that subject, which is just as valid as the professor's. There is never an attempt made to regiment university professors. They are very independent, and they reserve the right to say what they want to say, when and how they want to say it.

MR. OLIVER: And I also have a right to comment on what they say.

HON. MR. FROST: That is right, Mr. Chairman, and I thought myself there is a good deal of sense in the comment of the hon. leader of the Opposition. I am rather inclined to agree with him.

MR. OLIVER: Thank you very much.

HON. MR. FROST: But I may say that among university professors, you never want to cross one of these economist fellows. We have a lot of them around here, and they are all very independent, free thinking, "free-wheeling" individuals, and it is better to leave them to themselves.

I think that is about the situation mentioned by the hon. leader of the Opposition. He is entitled to say what he wants, when he wants to say it. It certainly is not necessarily the opinion of the government, nor of the hon. leader of the Opposition. We all reserve our right to have our views on what was said.

MR. OLIVER: The hon. Prime Minister says that he should have the right to say what he wants. Well, I think he has the right to say what he wants to himself, perhaps, but when he undertakes to speak to quite large groups, and tell them their problem is one of getting rid of the low-income farmers, I think he had better go back and study economics a little more, before he starts to make pronouncements of that kind.

HON. MR. FROST: That may be, Mr. Chairman, but I am sure the hon. leader of the Opposition reads speeches made by some of the professors at the University of Toronto. I think there is one university professor in particular who supports him very strongly. If my recollection is correct, he ran for leader at one time. I am not talking about the gentleman who died, but regarding another man there. These fellows are misguided, but they are entitled to their views.

Vote 116 agreed to.

On vote 117:

MR. G. INNES (Oxford): On vote 117, Mr. Chairman, I would like to ask the hon. Minister why the decrease in item No. 6, which last year was \$97,000 and here appears at \$79,000, despite the fact that he is going to extend this programme, as stated in the Bill. Why would he decrease it?

I would also like to ask him why there is not more research work in disease prevention, in item No. 11. It has been brought to my attention that the department does not get enough animals to experiment with, from time to time, and does not have enough money allowed them for that purpose. It seems to me a very small figure to vote, to buy experimental animals. It has also been brought to my attention that when they do get these animals, and after they have experimented on them and cured some of their diseases, whatever type it might be — and I am not going to go into that — the money they receive from the sale of these animals is not returned to their fund but it is put into the general fund. Is that correct?

HON. MR. THOMAS: Any receipts from our department or any other go into the consolidated revenue, or most of it at any rate.

MR. INNES: I beg the hon. Minister's pardon?

HON. MR. THOMAS: The receipts from our department, anything which comes in, such as Ontario Agricultural College students paying their board, revenue from the Veterinary College, Kemptville, or Ridgetown, goes into the consolidated revenue, and not into the particular institution or the department.

It will be noticed that there is an increase in the over-all.

MR. INNES: In the over-all, yes.

HON. MR. THOMAS: There is a readjustment of the expenditure there.

MR. INNES: I do not feel there is enough increase in your disease prevention, when you are trying to set out

to do a good job in the province, and they are complaining about not having enough animals to experiment with.

HON. MR. THOMAS: Might I inform the hon. member for Oxford that, personally, I have not had any complaint, but, since he has raised the point, I will make it my business to confer with the head of the Veterinary College, and find out the exact status, and adjust it to the needs of the livestock industry.

Vote 117 agreed to.

On vote 118:

MR. P. MANLEY (Stormont): Mr. Chairman, I want to make a comment or two, if I may, about The Junior Farmers' Establishment Loan Corporation Act. I believe it has been the custom that at a certain time in the fall, no more loans would be issued. I think we are defeating the purpose of the Act if the purchasers of farms cannot obtain the advantages of the Act, any time of the year.

I believe the argument is that inspections of lands cannot be made during the winter months, when snow is on the ground. I remember a statement which the hon. Minister made not so very long ago in the House, that his orders were that as long as there was no snow on the ground, loans could be issued.

However, I want to bring to the attention of the hon. Minister at the present time that I had a case which I brought before the loan board this last fall, and when I went to the board, they reminded me that the time for the issuing of loans had just about expired, but they did tell me they thought they would get this one through.

This was a case where a young man was purchasing a farm. He was living on a rented farm, and wanted to purchase this farm from another farmer, who had orders from his doctor to cease farm operations, as he was not able to carry on. This young man had \$3,500 to pay as a down payment on this farm, and he came to me and asked if I would

assist him in getting a farm loan for the balance. I told him I would.

As I said, I came to the board here and they told me that it was just about the time the loans would cease to be issued, for the balance of the year, but they would endeavour to put the loan through. I went back and told the young farmer to apply, that I thought I was going to get the loan through.

He applied, I think it was on November 4. At that time there was not a sign of snow on the ground, and a few days after he applied he got notice from the board saying there would be no more loans issued that year.

Regardless of what the regulations are, I think there should be some exceptions to the rule, because if this young farmer, who had been farming for only a few years, was in a position to put down \$3,500 on the farm, and was buying it at a reasonable price, I think, regardless of the time of year, if the department wants to help the young farmers establish themselves in agriculture, it should consider a risk of that character, regardless of the time of the year.

HON. MR. FROST: May I ask if the young man received his loan ultimately?

MR. MANLEY: Not from the board, no. He was very much disappointed, but we were able to secure a loan from another source, and he purchased the farm. If the boy had not been able to secure that money from another direction, he would not have been able to avail himself of the opportunity which was his to purchase the farm in his own locality.

I want to say further that the true value of a farm can easily be ascertained, regardless of the time of year, because a valuator can go into a locality, and find out from other people in that locality the value of the farm, and he can avail himself of the opportunity of going to the township clerk, and securing the assessment, and comparing it with assessments on adjoining farms, and I am sure he would be in a position to determine what the value of a particular farm is.

I think it is a sad state of affairs when a young chap has the opportunity of establishing himself, and is not given the opportunity to avail himself of The Junior Farmers' Establishment Loan Corporation Act.

HON. MR. THOMAS: When the matter came up before, I took it up with the board, and they are using the widest discretionary powers possible, as far as I am aware, and have been instructed to do just the thing about which the hon. member for Stormont speaks. I think the hon. member will agree it is a little difficult to go into a locality and value a farm, if there is a foot or 18 inches of snow on the ground.

MR. OLIVER: There was not any on this occasion.

HON. MR. THOMAS: If the hon. member for Stormont had come to me with that particular case, I would have attended to it myself.

MR. OLIVER: We cannot always go to the hon. Minister.

HON. MR. THOMAS: There is nothing to stop you.

MR. R. ROBSON (Hastings East): How many valuers have you in the branch?

HON. MR. THOMAS: They are on a district basis. I would estimate around 35 or 40. I have not the exact figures here.

MR. ROBSON: One man covers several counties?

HON. MR. THOMAS: On occasion, yes. We are not short of valuers and we never have had any difficulty.

Votes 118 and 119 agreed to.

MR. F. R. OLIVER (Leader of the Opposition): I do not want to speak about a vote which is here, but I do want to inquire about one which is not here. In The Department of Agriculture's Estimates, for many years, we have had a vote for a subsidy from the province for the building of hydro lines.

It is missing this year. Does anybody know where it is? In what department is it now?

HON. MR. FROST: It is in Municipal Affairs under the jurisdiction of hon. Mr. Goodfellow.

MR. OLIVER: What was the idea of taking it out of agriculture?

HON. MR. FROST: To take the burden off the hon. Minister of Agriculture.

MR. OLIVER: I will tell the hon. Prime Minister why he did that, in case he does not know. I do not think that is actually the reason.

HON. MR. FROST: Oh, that is right. I may say to the hon. leader of the Opposition that the telephones and rural hydro lines were taken from The Department of Agriculture on account of the great burden of work on the shoulders of the hon. Minister of Agriculture.

MR. OLIVER: They have been in the agricultural Estimates for many years, because they have had, until the last few years, really a great deal to do with agriculture. The reason it was taken out was that it was becoming less and less identified with the farm people in the province. The government is continually stating how many hydro contracts it has entered into with the farmers.

It will be found on close examination—and the hon. Prime Minister knows it quite well—that over one-half of those who are called “farm subscribers” are really people who have built just outside the town limits, living a mile or two out of town, but they are still called “farm subscribers”, so the hon. Prime Minister can come back to the House and say, “We gave so many farmers hydro in this province.” He has done nothing of the kind.

HON. MR. GRIESINGER (Minister of Public Works): The hon. leader of the Opposition knows that during the war years the building of hydro lines was curtailed.

MR. OLIVER: I believe I know what the hon. Minister was saying a moment ago, that back in 1943, when we could not use metal to build lines, we did not build many.

I am not ashamed of that, because the copper which went into the war effort was much better used than for building hydro lines.

Seriously, to the hon. Prime Minister, what is happening now is, I would imagine, that well over 90 per cent. of the farmers have hydro. In my riding, that is true, and I imagine also in the riding for the hon. member for Bruce (Mr. Whicher) and, in fact, in many other ridings, the saturation point has already been reached.

So I maintain, Mr. Prime Minister, that you are not getting farmers on the lines any more; you are getting people who have moved out a mile or a mile and a half, but who work in the towns. They are not actually farmers at all.

HON. MR. FROST: I am sorry the hon. leader of the Opposition has cast a sour note into such fine work as we have done in electrifying rural Ontario. May I say that it is a great pleasure for me to motor across Ontario at this time of the year, and look across the countryside, and see the twinkling of thousands of lights and to realize they are the result of the great work this government has done in bringing power to our people.

May I say to the hon. member for York South (Mr. MacDonald) that, while he has been talking about “patronage”, this government is serving the people. The hon. leader of the Opposition mentioned the fact that the extension of rural power has almost reached the saturation point.

MR. OLIVER: That is true, throughout the province.

HON. MR. FROST: For 8 or 9 years during which the Party of which the hon. leader of the Opposition was a member, there were very few farmers who had power, but under this government, practically everybody has it.

We now have reached the point when something in the order of 90 per cent. of our rural people have power. The sour note sounded by the hon. leader of the Opposition I do not think is justified.

May I say that the more subscribers we can secure on a line, the more self-supporting it will be, and the greater the possibility of an ultimate reduction in the cost of power, despite the fact we are living in days of high costs. I think that is a bright spot in the rural picture, the fact that there are now coming onto rural lines summer resort people, and new homes which are being built in the country, which all helps to make rural lines better for the people, because of the increased density of the population.

This year our contribution will be upward of \$10 million for the extension of rural power, which will make it all the more possible for the people of rural Ontario to have the amenities of life which have heretofore applied largely to the urban centres. The fact that this is being done, is one of the reasons why people move into the country to live, because of the snow plowing of roads, rural power and things of that kind—

MR. WHICHER: And salt.

HON. MR. FROST: Yes, salt on the highways, about which the people of Bruce apparently "kick", but it all adds to the way of life of our rural people.

The reason this vote was transferred to the department headed by another farmer, the hon. Minister of Municipal Affairs, was to spread out the burden a little bit, and give the hon. Minister of Agriculture a bit more time to spend on farm marketing.

MR. P. MANLEY (Stormont): I would like to say a word about hydro, Mr. Chairman. I will agree with the hon. Prime Minister that 90 per cent. of the rural people have hydro at the present time. But what about the other 10 per cent? I think if the hon. Prime Minister would take a drive up and

down the back concessions, he would find where the other 10 per cent. are.

Why have this other 10 per cent. on the back concessions not got hydro? The simple reason is, the regulation now is that there has to be so many subscribers per mile. These people on the back concessions are penalized in other ways as well as not having the advantage of hydro, and I think it is time this government should ease the restrictions, and enable these people to have hydro.

HON. MR. FROST: Rural power is not only in one part of Ontario, and it is difficult adding subscribers, when it is not economical, because it drives up the cost for others, and we have to be careful of that. If we build lines which cannot be supported, it simply drives up the cost for others. We have been "holding the line" in connection with rural power costs, and I think, despite all the tens of thousands of additions to rural lines, the picture is beginning to look better and stronger all the time.

I believe if a little time and care are taken, these extensions will be made. I know the hon. member for Renfrew South (Mr. Maloney) is interested in that subject, and we are endeavouring to look after his problems, and those of the hon. member for Stormont, and others.

It really gets down to a matter of economics. Too many people cannot be added, whose lines do not pay, without getting into difficulties and driving up the cost of others. That is the situation.

Hon. Mr. Frost moves that the committee rise, and report certain resolutions.

Motion agreed to.

The House resumes; Mr. Speaker in the chair.

MR. J. F. EDWARDS (Perth): Mr. Speaker, the Committee of Supply begs to report certain resolutions, and asks leave to sit again.

Report agreed to.

HON. MR. FROST: Mr. Speaker, in moving the adjournment of the House, I would say that we have 4 Estimates remaining: Welfare, Municipal Affairs, Lands and Forests and Health, and also the Supplementary Estimate, which was introduced with the Budget. I hope to take Welfare and the Supplementary Estimate tomorrow.

But there are 4 Estimates left, and sometimes it is not possible to take them in the desired order. Would the hon. members be prepared to consider any of these 4 Estimates as they come up, with the understanding that I shall try to call them in this order: Thursday, Welfare and Supplementary Estimate;

Friday, Municipal Affairs; Monday, Lands and Forests, and Tuesday, Health. Any of the Bills and Orders on the Order paper are subject to call.

MR. OLIVER: You are not going to do anything about the debates which are hanging around, for instance, the Budget debate?

HON. MR. FROST: Yes, any of those can be called.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11 of the clock, p.m.



Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Thursday, March 22, 1956

Afternoon Session

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

THURSDAY, MARCH 22, 1956

2 O'CLOCK P.M.

And the House having met.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Motions.

Introduction of Bills.

THE PUBLIC COMMERCIAL VEHICLES ACT

Hon. J. N. Allan moves first reading of Bill intituled, "An Act to amend The Public Commercial Vehicles Act."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, this Bill is an amendment to The Public Commercial Vehicles Act, ordinarily recognized, perhaps, as "PCV." It deals only with the changing of some wording to facilitate the enforcement of the Act.

THE HIGHWAY IMPROVEMENT ACT

Hon. Mr. Allan moves first reading of Bill intituled, "An Act to amend The Highway Improvement Act."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, this amendment is for the purpose of placing towns and villages in the same position, so far as the determination of subsidies are

concerned, as are towns. The necessity arises from the fact that certain towns and villages may develop into quite different municipalities, and yet be known by their original name. This legislation is for the purpose of enabling suitable subsidies to be paid in towns and villages.

MR. SPEAKER: Presenting reports by committees.

CLERK OF THE HOUSE: Mr. G. Johnston, from the Standing Committee on Printing, presented the committee's report, and moves its adoption.

Your committee recommends that the supplies allowance per member for the current session of the Assembly be fixed at the sum of \$50 and that, to meet the convenience of the members, a cheque for that amount be issued to each member of the Assembly in order that he may make the desired purchases in his own constituency.

And that an allowance be authorized and a cheque issued to each of the full-time daily newspaper representatives covering the present session of the Legislative Assembly, as nominated by the Press Gallery and approved by Mr. Speaker.

Your committee recommends that copies of *The Canadian Parliamentary Guide*, *The Canadian Almanac*, *The Canada Year Book* and *The Administration of Health Insurance in Canada*, by Malcolm G. Taylor, be purchased for distribution to the members of the Assembly and also that each member be given a year's subscription to the *Labour Gazette*.

Your committee recommends that the following sessional papers be printed for departmental use and distribution:

Accounts, Public	\$1,800
Agricultural College, Ontario, Report ..	850
Agriculture, Minister's Report	2,150
Agriculture, Statistics Branch, Report ..	6,650
Auditor's Report	500
Civil Service Commissioner, Report	350
Education Report	1,150
Estimates	1,250
Highways, Department of	750
Labour, Department of, Report	1,250
Legal Offices, Report of the Inspector ..	650
Liquor Control Board, Report	650
Niagara Parks Commission, Report	550
Ontario Northland Transportation Commission, Report	160
Police, Provincial, Report of the Commissioner	375
Public Welfare, Department of, Report ..	1,150
Public Works, Department of, Report ..	575
Reform Institutions, Department of, Report	790
Reform Institutions, Training Schools	890
Toronto University, Report	225
Veterinary College, Ontario, Report	2,550
Workmen's Compensation Board, Report	2,650

(signed) G. G. JOHNSTON,
Chairman

Motion agreed to.

CLERK OF THE HOUSE: Mr. C. E. Janes, from the Standing Committee on Agriculture, presented the committee's second and final report, and moves its adoption.

The committee begs to report the following Bills without amendment:

Bill No. 100, An Act to amend The Agricultural Societies Act.

Bill No. 101, The Brucellosis Act, 1956.

(signed) C. E. JANES,
Chairman

Motion agreed to.

MR. R. MACAULAY (Riverdale): Mr. Speaker, I beg leave to present the report of the select committee of the House appointed to consider ways of providing a central registry for documents of title and pledge and the issuance of certificates of title of ownership of motor vehicles.

He said: I have the pleasure this afternoon of reporting on a committee

which has sat now for two years, and which reported last year in the form of a red-covered brochure. At that time, the life of the committee was extended for another year.

When the committee presented that report to the House, it was discussed in committee. Pursuant to that and following it, a draft Bill was given first reading in the House. In due course, that Bill became the subject of the study of the committee in its second year. I should like to give some indication as to how that was done.

Mr. Speaker, last year, as will be recalled, this committee sat on many occasions, and travelled throughout the North American continent. We travelled to British Columbia, and visited all the western provinces; we travelled into 9 or 10 of the states of the union; we met many of the senior officials, including the governors of some of the states.

Also, we discussed the problem of "certificates of title of ownership" in the United States, with the view of presenting to this House and at its request the report in relation to certificates of title in this province as to its desirability and feasibility.

As a result of our trips through the United States, we found there were 40 of the 48 states with such a system. That, in itself, we felt was some recommendation for the adoption of such a procedure. In any event we reported back and advised the House that we felt, therefore, further study should be given and that a draft Bill would be best, to both of which this House was gracious enough to agree.

Thereupon with this draft Bill we set out to travel around the province, and had persons appear before our committee and make representations as to their opinions on the Bill, and all the recommendations they could offer for its improvement. To that end — and this report will be handed to hon. members in due course — we found, I have no idea how many associations — I would think 20 or 30 — and we saw at least that number of people, many

of whom made recommendations in relation to the Bill which a year ago passed first reading in this House.

After listening to the recommendations which were made, we have re-drafted and considerably shortened the Bill we now present as an appendix to this report.

I will require about 7 or 8 minutes to present this report to the House, and, because it is of a rather technical nature, I would be grateful if I could have the attention of all hon. members.

I would say to hon. members that the original terms of reference to this committee included a central registry system in Ontario for all chattels. I want to make it clear to the House that we are not reporting on all chattels. We feel it is not possible, or in any event now is not the propitious moment to deal with all chattels. We feel the basic problem in relation to chattels is motor vehicles, and if that were adequately dealt with under a proper system, there would be no need to deal with all the other chattels.

Therefore, let this be clear to the House. If this report is rejected, then some other steps have to be taken in relation to other chattels.

The second point I would like to make clear is the report which I am tendering to the House today is not unanimous. There is one member on the government side, who is dissenting. It is supported by the other 10 hon. members, some of whom will be heard from. The hon. member for Waterloo South (Mr. Myers) is opposed to it on the ground he feels there has not been demonstrated a sufficient need for the implementation of the legislation, and he will speak of that. I have encouraged him to do so for I think this House should look objectively at this legislation and when considering it, include both sides of the problem.

I would say that the present system which is dealt with under our county court clerk's system or our County Court Act, is a most unsatisfactory one and I do not think there are many

people in this province who will endeavour to defend the present system. This system is not a misnomer or misdeed of any party or government. It is simply a system which has been out-grown over a period of years and now is in dire need of attention.

This is one of the ways of dealing with it, but if this is not accepted, some other way must be found and that must be remembered by hon. members who oppose it.

The present system requires that registrations and encumbrances on vehicles and documents dealing with motor cars be placed in any one of the 38 counties and 11 districts in this province. When a person wants to purchase a motor vehicle, he can never be sure that he is buying one with any better guarantee than the word of the man from whom it is purchased. We have no system in this province which any lawyer can stand behind, and guarantee that you are getting a good or even a half decent title. That is a point to remember.

Now then, when dealing with that, therefore, I want to say Mr. Speaker, that the persons who favour the system which this committee propounds and purports to present, do so for 5 reasons.

One is the system which we are introducing and recommending to the House. We believe this system will protect the purchasers of new or used motor vehicles either privately or publicly, either through newspaper advertisements of dealers or in other places. It must be remembered when making reference to this, the number of motor vehicles which are not sold and bought and mortgaged and dealt in through dealers, because there are many; also some protection we feel—not some but complete protection—will be offered by this system to persons private and corporate who loan money on motor vehicles.

Again I ask the hon. members to remember that there are many people who loan money on motor vehicles who are not corporate identities but are private individuals.

Thirdly, this system will help to protect the smaller dealer in the small outlying towns who cannot make use of the system that we have, inadequate as it is, and who takes a car in on a trade when he sells a new one. All he has is the word of the person who trades it in that the title is perfectly clear, and the dealer has no adequate protection except to rely on the person's word. He may find a month or so later it was not clear of encumbrances, but was subject to a lien. That man we say will be protected, whether a small or a large dealer.

We are not as concerned about the large dealers although they quite obviously can defend themselves better and will be shouting louder than the small men, but it is the small men this committee has set out to protect.

Fourthly, this system has been proven in the United States to be a deterrent to theft. The members who have signed this report are satisfied that, by instituting this, we will cut down organized selling of stolen motor vehicles, maybe not those stolen for "joy riding" or to commit an offence, but certainly motor vehicles which are stolen for purposes of resale.

Fifthly, this system will bring us quite a long way towards protecting those people who are in the business of repairing motor vehicles and have no indication, when the vehicle comes into them and they put work, labour and parts into the vehicle, whether it is subject to other encumbrances.

Again I say to hon. members that the present system we have is grossly inadequate.

There are persons who are against this system, and they are found amongst certain of the larger dealers in this province, most of whom are centred in the city of Toronto. But several of my colleagues on the committee will speak to this, and I do not wish to enlarge on it.

But I do wish to say there are two basic objections to it by those who do object. One is that many of the larger

dealers say that it will cost them more money to sell a motor vehicle because they will have to process certain papers when making the sale. The members who were on the committee will deal with that, and I think they will make it perfectly clear to the House, if a bill of sale is to be processed, it is just as easy to process some other statutory form, instead of the bill of sale. There is no additional paper work. That is the position we take.

Secondly, the persons who oppose it say they are opposing it because there is no scientific proven need for it. It is very much like the man who will go abroad in the world and say: "You are illegitimate; prove you are not." That is the type of thing with which the hon. member for York South deals. He charges: "You are doing so-and-so. Now disprove it." He states what he claims is a fact, and leaves it to be disproven, when it is not a fact in the first place.

It is like the French system of justice that you are deemed to be guilty until proven innocent. That is the point.

There are those who say it cannot be proven by any facts, that there are sufficient losses to justify the institution of this system. I want to remind those who say that, that in the United States 40 out of 48 states have found that is not so.

I will conclude by saying that the report which has been tabled, and which will be distributed very shortly, presents in itself a system which is found in the Bill which runs about 10 pages and contains about 32 sections. If it were not for the ingenuity of the human mind it would be necessary to have only 3 or 4 sections. But, all the exceptions and things of that kind which a man can think of, and the way he can drive a wedge through an Act, made the other 30 pages necessary.

Basically it is a very simple Act, and those of us who are supporting it hope that it will be presented by the government at this session, and put into effect in due course by Royal proclamation.

In regard to the basic changes between this Act and the Act we presented before; they number two or three:

(1) This is very much simplified; (2) we have cut the paper work to an absolutely bare minimum, and (3) the Act which we originally presented to this House, Mr. Speaker, included the provision of covering all motor vehicles, whereas in this Act, what we envisage is covering all new motor vehicles of a certain year in advance.

Thus our Act would cover, for example, all 1957 models and every year thereafter. We would not try to pick up all the old cars; thus it would only be a period of 3 or 4 years until this system would become completely operative. In that period of time the Act would have an opportunity of proving itself, and things which were found unsatisfactory could be corrected if it did not give the protection as we propound it. It is very easy; not only would it then apply to one year's cars, but we can remove the system, or amend it where it is not satisfactory.

In short, in this system we are not taking every car in this province, but simply all the new cars next year, and that is not a very large number. If this House were to find that this Act had weaknesses in it, it could either correct them, or wipe out the Act altogether, if it was found to be unworkable.

I say, in conclusion, this committee—except for the hon. member for Waterloo South (Mr. Myers), who, as I said before, has found there is no need for this legislation—came to the conclusion that it is modern, up-to-date legislation. Mr. Speaker, we will have it in this province some day, and we say we should have it *now*. In the United States, and particularly in the state of New York, they waited so long they cannot do it now, because they have so many cars it would be an impossibility to introduce this type of legislation. We say it is coming; we hope this House will endorse it, and when this government presents the Bill, we hope that it will have the approval of the hon. members of this House.

Before I resume my seat may I simply say, Mr. Speaker, how grateful all hon. members of this House, who were on the committee, are to those who extended so many courtesies to us and particularly to our most capable secretary and counsel, Mr. Alcombrack.

MR. R. M. MYERS (Waterloo South): Mr. Speaker, I rise to speak to the report with some diffidence. I might say I did not accompany the committee on its tour for personal reasons, and perhaps all the evidence which came before the committee did not come to me.

But I want to say I did attend all the meetings in Toronto, and heard a great many witnesses. It seems to me that the witnesses whom I did hear made it abundantly clear that there is no need for this legislation in Ontario at the present time.

The hon. member for Riverdale (Mr. Macaulay) says, under the present law, it is possible to register a charge against an automobile in any one of the 40-odd county registry offices. That perhaps needs an explanation. The charge against a motor vehicle must be registered in only one county office, and that is the county court clerk's office of the county where the automobile is situated at the time of the registration of the charge. He cannot register it in any one, but only in the county office where the car is registered.

I realize there may be some difficulty in determining exactly where the motor vehicle is at any particular time, and I think perhaps the present Bills of Sale and Chattel Mortgages Act could be amended with advantage, if it provided that charges and bills of sale affecting automobiles be registered in the office of the clerk of the county where the mortgagor or bargainor resides.

It should be comparatively easy to find out where a man lives, and I think the law should provide that the town in the county in which he resides is the only place where a charge could be registered. If that were done, a great deal of trouble, inconvenience and difficulty would be avoided.

The hon. member also gives as one important reason for the adoption of this Bill that similar legislation is in force in a majority of the United States of America. I do not think that is any reason at all. I always thought that one of the reasons Canadian laws were better than those of the United States was because there are fewer of them. I think that reason ought to be discounted and it ought to be shown affirmatively that the law is beneficial to the people of Ontario, before it is passed.

Let me say also that, although there are certificates of titles laws in 38 of the 48 states, there are no two laws the same; they are all different. Let me say, further, that the certificate of title law was introduced in some of the United States as long as 26 years ago, and they still do not have two similar laws.

Dealing with the merits, let me say that before we decide whether or not we ought to have a certificate of title law, we should consider several things. We should consider, first of all, who is to benefit, the general public, the automobile dealers, the finance company, or some particular section of the general public. We ought to consider too, whether there is no easier way of arriving at a decision, which will give protection without passing what I think is a cumbersome law. We should consider, before the adoption of the certificate of title system, whether the benefits it will give to us are commensurate with the trouble and expense it will involve. Finally, we ought to consider, if we can, whether the people who are going to be affected by this Bill are in favour of it. I do not think there is any point in foisting an unpopular Bill on the public, even though it might benefit them.

I would like to deal for a moment with the question of the chap who goes to a dealer and buys an automobile. He takes it home and presently the bailiff comes along and takes it away from him, because there is an unknown lien on the car, unknown, perhaps, even to the dealer. That is the situation, Mr.

Speaker. The question arose many years ago. There has always been a law that if a man sells a chattel he gives an implied guarantee that he has title to the thing that he sells. That has always been the law. It is adopted in our Sales of Goods Act in these words:

In a contract of sale, unless the circumstances of the contract are such as to show a different intention, there is

(a) An implied condition on the part of the seller that he has a right to sell the goods.

(b) An implied warranty that the buyer shall enjoy quiet possession of the goods, and

(c) An implied warranty that the goods shall be free from any encumbrance in favour of any third party not disclosed to the buyer.

It is true that many people go to automobile dealers and pay for a car, and then are stopped from taking possession, because there is an unconditional lien.

Ordinarily, the purchaser in that case could sue the dealer, but the dealers became very crafty, and I would like to read the conditions which are printed on the back of conditional sale contracts, dealing with the sale of automobiles. I would ask the hon. members to listen to this very carefully. It is a condition of sale by a well-known finance company, and contained in small print on the back, are these words:

There are no representations, collateral agreements, conditions or warranties, express or implied by Statute or otherwise, on the part of the vendor with respect to the property or this contract, or affecting the rights of the parties other than as specifically contained herein.

I do not know whether the hon. members know exactly what that means, but it became a practice of automobile dealers to have a purchaser sign that kind of contract, which they signed on the front, and did not sign on the back,

and the clause I have just read appears on the back.

One day a chap signed the contract, and he said, "Is the title clear?", and the dealer said, "Yes, the title is perfectly clear." The purchaser signed the contract and took the car, and within a very short period of time, a finance company seized it, and said they had a lien on it long before the dealer secured the car at all.

The purchaser went to the dealer who told him there was no lien on the car. Of course, in Ontario, the Court of Appeals has held that by signing the contract which contains the obscure clause which I read, the dealer had contracted himself out of the warranty of title, which the Sale of Goods Act gave him.

I think that is a very iniquitous practice, but it is a common one, and one which can be remedied by us.

It seems to me, Mr. Speaker, that the situation could be very easily cleared up by a provision saying that the warranty of title section of The Sales of Goods Act could not be waived unless by a separate instrument, which would bring to the attention of the purchaser the right he is abandoning. I think if that were done, then the purchaser could sue a dealer.

It might be argued that the dealer may be one who is not very solvent, and if that should be the case, the municipality has the power to licence automobile dealers. I think the Legislature should give the greatest possible protection to the purchasers, who purchase automobiles from dealers.

There might be some cases of that kind, but it does not seem probable there would be more than two or three car deals with one dealer at the same time. Of course, there might be the question of a bond being required. I have discussed this matter of a bond with a large dealer in the town from which I come, and he told me he was quite sure that all reputable dealers were very much in favour of a law which would require dealers to clear the titles of automobiles.

That disposes of the question of the protection of the small man on the street, who buys an automobile from a dealer. That can be done and done easily, with no expense to anybody.

It is true that everybody who buys a used automobile does not buy it from a dealer, but there is a certain percentage of car sales which are made through dealers, and one would think the probability of an individual, who buys an automobile from another individual, is insolvent, and whom the purchaser does not know, and who buys a car, the title of which is not clear, is so remote that it need not be considered.

We had a number of people appearing before the select committee in Toronto. Their evidence was reduced to writing, and I would like to read you some of the evidence from those whom I think were very important witnesses in the matter now before the House.

First of all, there was a group of the finance companies. They represented practically all of the finance companies. They presented a brief and in that brief, they say:

"The companies make no specific recommendations as to the advisability of a certificate of title law, but merely wish to bring to the committee's attention the intricate problems, as well as the advantages involved, in any consideration of this entire subject."

The brief presented by the finance companies points out that:

"Despite the efforts of 28 years, there is still no uniformity in title law of the 36 states. Experience has shown that automobile title problems cannot be effectively controlled except through a motor vehicle Statute substantially uniform throughout the states."

It is true an effort is being made to introduce a uniform law, but I understand it has not yet been done.

This is what the finance companies say. The chairman asked this question of the representative of the Traders Finance:

"Can you tell me this, Mr. Croft; if we instituted a system which was simple, and it did not require the preparation of a lot of documents, do you feel that the principle of the certificate of title system itself is helpful to your organization?"

Mr. Croft replied:

"It is very difficult to answer that, Mr. Chairman, but I would say that my personal impression is it would cost us more than it would be worth to us."

It would increase our overhead considerably. We had before us what I think was a very important delegation, and that was from the Toronto Automobile Dealers Association, which functions in the counties of York, Perth and Ontario, and covers an area in which one-third of all automobiles are registered. It is very efficiently managed by a manager and secretary, and I would like to bring before the House something of what they said. They, too, presented a brief, and may I just read a few sentences from it. This is from the brief of the Toronto Automobile Dealers Association:

"Over the years the attitude of the association has been one of opposition to title legislation in Ontario. In the foregoing and in the balance of our submissions, we have attempted to indicate some of the reasons for that attitude.

"In addition, our studies of title legislation in the United States have revealed two facts: one, a tendency on the part of individual states with title laws to condemn the title legislation in use in other states, and, two, a movement to create a uniform title code to govern all states. We are aware that a proposed uniform title code has been produced and that the larger Canadian finance companies have made recommendations to the select committee respecting it.

"We respectfully include in our introductory remarks some observations made by the hon. Chester Lamb, motor vehicles administrator for the state of Virginia, in a speech at Williamsburg, Va., in July of this year. Mr. Lamb was

speaking on the subject of certificate of title legislation before the Automobile Trade Association managers of the United States and Canada."

The brief points out what was said by hon. Chester Lamb, motor vehicles administrator for Virginia, who was speaking last year to the Automobile Trade Association managers of the United States and Canada. During the course of his speech, Mr. Lamb said:

"Now let us sum up and restate certain points which any title law must have to be a proper title law. It must provide one central office in the state which must be an office of record where all liens or encumbrances on a motor vehicle must be recorded. It must provide further that the recordation of liens or encumbrances at any other place shall not be required, and shall have no effect.

"It must also provide for the recordation of liens or encumbrances created subsequent to the purchase and registration of the vehicle. Further, it must provide that the motor vehicle must be titled before licence plates may be purchased. It must provide the necessary authority to the administrative head to enable him to properly administer the title law. It must also require that he do so.

"It must place necessary limitations on the power of the administrative head. It must not provide undue protection for any group nor favour any group at the expense of any other group; in other words, it must be so written that all groups will enjoy equal treatment and it must be administered in that manner."

The Toronto Automobile Dealers Association was wondering how much this was going to cost them, apart from the registration fees, so one of the dealers studied the matter, and this was said by the manager of the association giving evidence before the committee:

"I might say there is a suburban Toronto dealer handling 1,200 cars a year, new and used, and here is what he arrived at:

"The dealer arrived at a total of extra postage, \$180; wholesale finance charges for an extra 7 days on 900 units, \$1,553.43; finance on total used unit cost, also for 5 days awaiting certificate of title, \$685, and the clerical costs in regard thereto, in handling the additional administration work, he took half a clerk at \$25 a week, \$1,300. So in his dealership, his estimated cost was \$3,718.43."

In addition to that, would have to be added the registration fees which are supposed to cover the departmental costs, which would be in the neighbourhood of \$2 per car.

There is another feature expressed by the Toronto Automobile Dealers, and that is the fact that there would be delays in the transactions, resulting to the dealers. I would just like to read again from the brief, very shortly:

"With almost 1 vehicle in every 3 in Ontario being registered in this area, and with sales yearly on new cars closely paralleling that ratio, it seems obvious that we must be intensely interested in any legislation which might affect either the cost of doing business or the ease with which business may be done.

"Our impression of any title legislation is that it should provide protection to the public (the buyer), to the seller (the dealer), and to the lending agent (finance companies or those providing funds for the purchase of motor vehicles).

"And, most important, in providing this protection, it must provide for speed and ease of transfer. A certificate of title law will be no better than its administration. It is in connection with this, among other things, that we are most apprehensive.

"It has been advanced that the provincial administration of title law will entail the addition of less than 40 employees and that no new building will be necessary. We submit that such has not been the experience of various states which have title legislation in operation. The following information may be of interest to the committee:

"In the state of Tennessee, one of the most recent states to institute a title law, with registrations totalling 1,000,077 units for the year ending June 30, approximately 190 persons are employed for the administration of the law.

"In the state of Michigan, with much higher registrations, a staff of approximately 125 persons do the title service. At the same time it should be noted that the average time to secure a title in Michigan at present is 28 days with some applications taking 6 weeks. The reason given is shortage of staff.

"The state of Virginia, in 1954, had passenger car registrations alone of 792,000. Asked to estimate the staff required to institute a title law in Ontario (almost double in registrations) the hon. Chester Lamb, administrator of the Virginia title law, suggested that a minimum of 150 persons would be required.

"Having in mind this information, we respectfully suggest that a considerably larger number of employees will be required for Ontario than that presently estimated. We are under the impression that delays in licence transfers through the motor vehicles branch at the present time are occasioned by overcrowding in accommodation that was not designed to handle the pyramiding vehicle registrations in Ontario.

"If we are correct in the above, it would appear that the cost of administration in the province will be high. Who is to bear that cost? If a major share is to be borne by the public, has there been a concerted demand for the legislation from that public?"

The delegation which made the deepest impression on me was one from the Toronto board of trade, which consisted of Mr. David Woods, president; Mr. Clifton Lane, Q.C.; Mr. William L. Archer; Mr. J. A. Tuck; and Mr. A. C. Crysler. They formed a very strong committee, which knew exactly what it was talking about. This is what this committee had to say:

"1. The board was sympathetic with the objective of establishing a provincial-wide system of registration of motor

vehicles and encumbrances thereon as it recognized limitations in the present county system of registration as to motor vehicles owing to their great mobility.

"2. While sympathetic with this objective the board would not wish to support a solution which would involve undue administrative costs to government and business and delays in transactions involved in the use of such administrative services which were out of reasonable relation to the extent of the evil to be cured.

"3. The board felt that the views of the Canadian commissioners on uniform laws should be obtained before action is taken as, owing to the very great mobility of motor vehicles, even a province-wide system of registration would be subject to substantial limitations as to the large number of vehicles entering and leaving the province.

"The board reaffirms these views and is still far from convinced that the extent of the actual evil to be cured, as distinguished from the possibility of evil, justifies the extensive and costly administration involved in the system of registration which would be established by Bill No. 125 if enacted."

The board of trade presented a brief before the committee, and I would like to read very briefly from what they said. Mr. Woods, the president of the board of trade said this:

"If I may say a word before we present our brief. We had the privilege of appearing before you more than a year ago, and expressed the views of the Toronto board of trade, as being in sympathy toward The Uniform Registration Act, but we were concerned about the costs involved, and expressed concern about several substantial ramifications of the proposition.

"Since that time, we have had the opportunity of getting the views of a number of our membership, and our very competent legislation committee, chaired by Mr. Lane, has given the matter continued study and thinking, and we wish to briefly express concern

about the relationship between the costs involved, in terms of money and time, as opposed to the extent to which the evil exists, and against which the costs would be offsetting."

And he makes some other comments, concerning the Toronto board of trade making some inquiries in some of the American jurisdictions and this is what they found in the state of Pennsylvania:

"We found that in Pennsylvania, there is a compulsory inspection of motor vehicles twice a year, and on those inspections, our information is you must produce this certificate of title card. Therefore, the compulsory inspections enforce observance of the law."

I read that as an indication that the law will be expensive and difficult to enforce, unless, in addition to the administrative costs, there is a follow-up system of inspection.

I would like to say, Mr. Speaker, that although the protection under the present system is brushed aside, it should not be, as I think it is a matter which is vital, and Mr. Woods, the president of the Toronto board of trade, said this:

"One of the members of our committee was good enough to interview the justices of the peace at the city hall, whose duty it is to receive complaints of all sorts, including those from people who have had unfortunate dealings in motor vehicles.

"Their job is to determine whether a criminal charge should be laid, or whether they should advise the complainant to resort to whatever civil rights they may have.

"Those gentlemen said there were some complaints, all right, but that when they examined the registrations, they found that a great majority could have been avoided, had the victims searched the present county court records."

Let me say again that one of the witnesses who appeared before our committee was Mr. J. P. Bickell, our registrar of motor vehicles, who said it was

far from clear to him that any benefits which would be obtained by the Act would be justified by the cost it would involve.

There was some discussion during our sittings as to what the losses were, and up to this point we had no idea. There was a witness from the Toronto Automobile Dealers, who said:

"In our previous submission to the committee, we have suggested that losses to the public through undisclosed liens do not warrant setting up costly legislation which adds a financial burden to all of the motor vehicle owning public.

"We suggest that such losses as are borne might be disposed of by instituting a similar fund to that now in existence in Ontario respecting unsatisfied judgments. The addition of only 25 cents to the licence fee of Ontario motorists would provide a fund of \$350,000, an amount which we feel would amply cover losses through undisclosed liens as well as the cost of administering the fund."

In that connection, I might point out the great variation of thinking on the amount of losses; the Toronto Automobile Dealers thought something less than 25 cents per car, while one of the hon. members of the committee at that time made this statement:

"Would it surprise you, Mr. Lane, if I told you that we believe the losses run into the millions of dollars in a year, and the Toronto Garage Operators, and their Association are at the moment—right now—sending out a directive to all its members, in order to let us have something more accurate on that subject."

The committee then decided they would send out a questionnaire and I would like to direct my remaining remarks to the questionnaire, and what it brought forth. The questionnaire which was sent out was this:

Dear Sir:

The Select Committee on Certificates of Title for Motor Vehicles requests that you complete the fol-

lowing questionnaire and return it to the secretary of the committee in the enclosed addressed and stamped envelope, as soon as possible.

This information is required in order that the committee may estimate the losses suffered in connection with repairs and sales of motor vehicles caused by fraud and undisclosed liens sustained by dealers and garage operators in Ontario.

Questionnaire

1. How much money do you estimate that you lost from 1949-1954, inclusive, because of undisclosed liens upon motor vehicles bought, sold or repaired by you during these years?

2. How many new and used motor vehicles were sold by you during the last 5 years (1949-1954, inclusive)?

That really is 6 years, but we will take it for 5 years. All the garagemen and dealers got that form, there were 3,150 questionnaires sent out, and of that number, 1,182 replied, and they showed total losses during a 5-year period not only on cars, but also on repairs, of \$883,000.

Therefore, if you estimate this on a 5-year period, the losses of all the garages and dealers in Ontario who answered the questionnaire was only \$160,000 a year. However, that can stand a great deal of additional analysis. The replies show that 717 dealers sold over one million cars with a loss per car sale of 74 cents, and that is not only for one year, but is for a 5-year period. It is much less than that, as I hope to show you.

The dealers who reported include dealers who sold 2 or 3 cars in 5 years, and some who sold as many as 20,000 cars, and I think, for the purpose of deciding who was a dealer, it would be fair to eliminate all those who sold less than 500 cars in 5 years, or perhaps 6 years, because they would be people mostly dealing in gas or repairs, they would not be "dealers" in the way it is usually understood.

We found then that the dealers who reported sold 725,000 units, even eliminating the small operators. The dealers who reported losses sold 725,000 units, with a loss of \$1,000 in 5 years. One-third of the dealers who reported sold over 300,000 units without any loss at all, and so you have a total figure of over one million units sold, with a loss of \$581,000 in one year, or a loss of about 50 cents a car.

But that 50 cents per car is still too high, I submit, Mr. Speaker, because dealers who reported were only 40 per cent. of the dealers. One would expect the dealers who did report were the ones who were in favour of the law, because they were members of the Ontario Garage Operators Association, who were in favour of it, and 40 per cent. of them reported, and 60 per cent. did not report.

If we project the figures I have given, and estimate that those who did not report did not sustain any loss, we have a loss per unit sold over a 5-year period of 16 cents, and that includes losses on repairs as well as losses on sales.

It was rather interesting to analyze losses in Toronto, because one would think that in a big city such as Toronto, there would be some difficulty in finding out about the man to whom you were selling a car. In a small town, everyone knows everyone else, and it is not so difficult, so I would like, for a moment, to analyze the Toronto figures.

In Toronto, 30 per cent. of all the dealers who reported—and they sold almost 100,000 units, or an average of over 5,000 units per dealer—they reported they did not have any loss at all. Taking all the Toronto dealers—those who reported losses, and those who reported no losses—the Toronto dealers' loss per unit is 44 cents, as against provincial loss of 71 cents per unit.

I think that shows that a careful dealer just does not sustain losses. The dealers who reported no losses are the big dealers, the people one would think would have a great deal of difficulty in tracing people. There are 5 or 6 of them with more than 10,000 sales. Then,

looking at the reports from the dealers who did not have any losses, you will find there are 49 municipalities in Ontario with no losses, and they are large dealers, and, not only that, they are in border cities like Windsor, Amherstburg and Toronto. There are dealers located all over the province, without any loss in 5 years.

I was rather encouraged to see just what was put on these reports which were sent out by the association, which wanted the Act, and here are just a few. There is a Tweed dealer who says:

"I am not in favour of this certificate of title in any form."

A Brockville dealer said:

"We are not interested in certificates of title for motor vehicles. We fear the procedure will be cumbersome and will slow up business."

Here is another fellow from Tweed. He was asked what his losses were over the last 5 years, and his answer was, "Not a penny, leave things as they are."

There is one from a man in Madoc, who says that he searches the titles from a credit bureau, before completing his sale. I understand you can get a report for 60 cents from a credit bureau on anybody in Ontario, and if he is not known to the credit agency, then one should not deal with him.

The Toronto dealers have a very simple way of finding out whether a man owns the car he is selling. They simply ask where he bought the car, and they have found from experience that 9 times out of 10, he tells them where he has bought it, and that information can be verified, and that the car is, in fact, clear.

Something has been said, too, about the effect this law will have in cutting down thefts. It may be interesting to compare the thefts in Ontario with those in Indiana and Virginia, two states which have a type of law and car registration very similar to ours.

In Ontario, for 1953, there were 3,930 stolen, of which 3,823 were recovered and 107 were not recovered. In 1954, it

is about the same, only 104 cars reported to the provincial police which were not recovered.

In Indiana, with a car registration of 1,700,000, with a certificate of title law, in 1953 there were 27,067 thefts and 26,781 recovered, and 286 not recovered. In 1954, in Indiana, there were 344 not recovered, 2 or 3 times as high as Ontario.

In Virginia, with 1,200,000 registrations in 1953, 111 were not recovered, and in 1954, 64 were not recovered. The figures in Ontario for 1953 and 1954 are—

HON. L. M. FROST (Prime Minister): May I ask the hon. member a question? I have a recollection of some association writing to me a year or two ago advocating some change in the system. Has that association been consulted, or have they made up their minds?

MR. MYERS: I do not think so. I think we met the man to whom you are referring. I do not think there is any change in the thinking. The thinking is that Toronto does not want it, the Toronto motor associations do not want it, and it appears the executive of the Ontario Garage Association does want it, but I am not at all sure just what their membership thinks, and I will tell you the reason for my doubts in a moment.

While sitting on this committee, I thought I would like to see what the people in Galt thought of it, and I went to all the people in Galt who sold new or used automobiles, and I did not find one who wanted it. They all said it would be a cumbersome system and they did not want it. One day last week—and this was quite unsolicited—I received this letter in the mail. It said:

“As a member of the select committee on Bill No. 125 with respect to certificates of title of ownership of motor vehicles, I am sending you copies of this petition which was signed by 21 dealers in Waterloo county. We represent the small and the larger dealers and we feel that our thoughts speak for the county as a whole.”

Then it goes on to say:

“I will not try to add any more words to this letter re our thoughts as I feel the wording of the ‘petition’ is clear and certainly expresses our stand in the matter.”

This is the petition:

“We, the undersigned motor vehicle dealers in the county of Waterloo area, hereby state that we are opposed to the principles inherent in redraft of Bill No. 125/1955, being an Act Respecting Certificates of Title of Ownership of Motor Vehicles, for the reason that we are firmly of the considered opinion that the cost, both public and private, of administration of such Act will be substantially in excess of any protection that might be thereby attained.”

The letter is signed by the owner of a large establishment in Kitchener, who appeared before the committee, representing the Ontario Automotive Dealers Association, whose executive want it.

I was not satisfied with that. I thought there were 21 dealers in Waterloo county who did not want it, and I wondered how many did want it, so I got in touch with Mr. Forbes and told him he had sent me a petition signed by 21, and would he tell me how many were in favour of it, and this is what he said:

“Further to the ‘petition’ that we submitted to you a few days ago with respect to certificates of title of motor vehicles; we have been discussing this subject again and we realized that we should have told you that, of all the dealers approached to sign this form, no one refused.”

So, for those reasons, Mr. Speaker, I think the Bill should not be enacted into the law of the province.

MR. J. WINTERMEYER (Waterloo North): Mr. Speaker, I would like to rise to support this particular Bill. I can tell you that I do so with a little concern, because I think I know the reason for the concluding remarks of the hon. member for Waterloo South. I find myself in a rather embarrassing

position where I think I am the catalyst by virtue of which the report which the hon. member has just presented, was accomplished.

It is true that some time ago, I expressed my sympathy with, and firm conviction in this Bill, and a good many of my constituents in the automobile business visited me to let me know, in no uncertain terms, that they personally were opposed to the Bill. When I expressed my thoughts, I believe they went to the hon. member for Waterloo South and tried to espouse his support.

I realize it is a politically dangerous thing, which prompts one's constituents to visit another hon. member, or to suggest that they do so, but I have the utmost trust in the hon. member for Waterloo South, who was very kind to me, and my basic concern is not with political issues, but with the principle which is involved here. I am sure that the maneuvering which has taken place with respect to this correspondence will all "come out in the wash."

As I said at the outset, I am prepared to support this particular Bill. My basic reason for supporting it lies in the principle of the Bill. The hon. member for Riverdale (Mr. Macaulay) has explained the Bill very fluently and eloquently, and it is not necessary for me, nor anyone else, to explain again the principles he has enunciated.

However, I might give a simple example of the problem. We have in mind an effort to modernize the method of registering titles to automobiles. We are concerned with protecting the person who buys an automobile, against which there is an outstanding lien. The purchaser may not know about the lien and later on, may find there is a lien of \$1,000 on that particular automobile. The purchaser has to pay that \$1,000 out of his own pocket. We are trying to protect the purchaser against that.

I know that our system provides for the registration of liens and that, technically speaking, the records will set out whether a lien is registered or not. On the other hand, if a purchaser buys a car from "Joe Blow" on the street, and wishes to make sure there is no

lien against the car, at the present time he must visit each of the 38 county clerks' offices in this province, and examine the titles, to see whether there are any liens outstanding against the registered owner.

If a man is seeking to defraud, the probability is that he will not tell the prospective purchaser where he got the car or his actual residence. It is likely that he will come into the community as a stranger, and possible defrauder, but will state that he has lived in that community all his life. Therefore, the prospective purchaser goes to the county court registry office and makes a search of the title, and examines the records, and finds nothing registered against that car. He is satisfied and buys it.

But later on he learns that the seller came from Toronto, into North Waterloo, and that there is an outstanding lien registered in the county clerk's office in Toronto. The purchaser has to take subject to whatever lien is registered against the car, no matter what the seller has told him. It matters not whether the seller resided in Waterloo or Toronto. The fact is that the purchaser bought the car with a mortgage against it, and the probability is that when one searches for the seller, one finds he has gone to Timbuktu, as he is a man of that sort.

HON. L. M. FROST (Prime Minister): Mr. Speaker, I should like to ask the hon. member whether this problem arises in connection with persons buying a car from another individual who is unknown to the purchaser, or in connection with purchases made from dealers, or through finance houses.

I was rather interested in what the hon. member for Waterloo South (Mr. Myers) said about the small print on the back of the contract, where the vendor said there was no guarantee or anything of that sort, but that the disclaimer appeared on the back of the contract in small print. Does the problem arise from dealers and finance companies, or does it come from isolated cases of individuals purchasing from one another?

MR. WINTERMEYER: Mr. Speaker, that is an excellent point, which goes actually to the core of the matter. Of course, there are others who will express their opinions on this. My frank opinion is that the average, good, honest dealer must stand by his title.

HON. MR. FROST: Would it do violence to anything if it were so stipulated, or set out, that dealers in automobiles shall give a warranty or title, unless they specify particularly those claims which are against it? Would there be anything to that?

MR. WINTERMEYER: Mr. Speaker, it is my personal opinion that any dealer should be required to give a warranty. It is disgraceful that he can avoid doing so. Irrespective of what we do here, a dealer should be required to give a warranty of title.

HON. MR. FROST: Would that cure it?

MR. WINTERMEYER: I do not think so. We aim really to modernize the system of title registration. There are many isolated deals of the type of which the hon. Prime Minister has spoken, and they are very important. If a man sells a car with a lien to another man, it may be an isolated case, but the unfortunate purchaser takes it subject to the lien and may lose \$1,000 or \$2,000, and he can do nothing about it.

If that happens in the case of a dealer who is selling many thousands of cars, when one case occurs where it goes wrong, and he is required to make up \$1,000, he can write that off his general account, and can protect or insure himself against such loss.

We have a duty to look to the principle of the matter. The system which exists at the present time is to be criticized fundamentally, in that it does not recognize the lack of opportunity to an individual to protect himself. Under the existing arrangements, an individual, even if it were only one in a million,

cannot do anything to protect himself; and that seems to me to be a scar or a criticism of our basic legal system, if our system of jurisprudence does not provide adequate protection for such people.

Mr. Speaker, in 99 per cent. of the transactions, the deals will be on the "up and up", and when you buy from a man, he will tell you honestly what the situation is. We are dealing now only with an isolated group of people who are trying to put something over on the buyer. In these cases, they will bring a car from its usual metropolitan area into another metropolitan area and they will say that it has been for a very long and requisite period of time, in the area in which it is being sold. In fact, it will not have been there at all, and the innocent buyer may not be in a position to examine the records at all of the county clerks' offices.

HON. A. K. ROBERTS (Attorney-General): Mr. Speaker, did the evidence before the committee show any serious monetary loss?

MR. WINTERMEYER: Mr. Speaker, dollarwise, I would not say so; but it must be remembered that it is very important when it happens to one individual, when that unfortunate individual loses \$1,000. The total may amount to only \$100,000 and in terms of the total volume it may not be a great amount, but if the hon. Minister or I happened to be the unfortunate person losing the \$1,000, we would appreciate the gravity of the position.

HON. MR. FROST: Mr. Speaker, if it is regarded by the dealers as a cost of doing business, or as a hazard of business which they incur, and which they include in their overhead, is there really any great problem to be met? The dealers may have such a loss, but may say they would rather meet that loss, than engage in something which would be a cumbersome way of doing business. When the loss is not passed on to the individual, but is absorbed by the dealer, is there a problem to be met then?

MR. WINTERMEYER: I am quite prepared to recognize that it is not really a problem in regard to the dealers, and I recognize there is not great clamour for this legislation. In fact, those persons who are vocal about it are opposed to it, as they are organized dealers.

HON. MR. FROST: I was concerned about what the hon. member for Waterloo South said in that respect, that in the state of Michigan, they found the institution of this system put them back, and that it takes from 4 to 6 weeks to obtain a tracer. If that is so, would it not be placing a great impediment on business? It is difficult to secure people to work for you—unless, as the hon. member for York South (Mr. MacDonald) said, you engage in patronage. It is difficult to secure people who will do a job. Would that be an influencing factor?

MR. WINTERMEYER: Mr. Speaker, the hon. Prime Minister has given this considerable thought, and he is raising many of the objections which the automobile dealers did. They certainly are complaining of possible delay. With deference, however, I do not think the delays could be anything as long as that. It should not take from 4 to 6 weeks.

HON. MR. FROST: May I ask whether this draft Act applies only to new cars purchased from a certain date? I have not had an opportunity to look at the Bill.

MR. WINTERMEYER: That is so.

HON. MR. FROST: Then I suppose the Bill would have the merit of allowing the system to develop over a number of years.

MR. WINTERMEYER: Mr. Speaker, that is specifically one point. I have been on this committee for only a few months, but this particular Bill comes entirely from the report submitted a year ago. This applies only to new cars, as of a certain date, say, 1957 models. As a result, this legislation will

be assimilated into our law gradually and I think very effectively. It will not apply to used cars which are on the market at the present time.

Every device has been used to make this as palatable as possible to those who are opposed to it. That is, the dealers. For example, originally the Bill required that certain documents be notarized, but that has been discontinued; it required that a numerous number of copies be prepared, but that has been discontinued. The Bill has been simplified and streamlined to make it as easy as possible to operate.

Mr. Speaker, this Bill represents a recognition of the inherent righteousness of the principle and we have been trying to devise a Bill which will cause as little inconvenience as possible to those who are opposed, and who have a right to be opposed, to it.

Personally, I am of the opinion that when this legislation is implemented, it will be found within a short period of time that there is not as much inconvenience to dealers and others as was thought would occur. I believe the system will be accepted and become part of our regular routine of trading cars, very easily and simply.

There were several points raised by the hon. member for Waterloo South, and I would like to make some specific reference to them at this time.

With respect to the cost itself, my frank opinion is that this legislation will not prove to be very costly. It is true that certain clerical staff, which is not required at present, will be needed. At one time it was estimated that 40 persons would be required to handle this matter.

However, it must be remembered that we are not suggesting that all cars be handled in this fashion, but only new cars. Accordingly, it is my opinion that the staff can be materially reduced. It will not be necessary to construct a new building nor incur a great deal of additional expense to house this group. The staff can be housed in our existing quarters.

Furthermore, with respect to the losses to which reference has been made,

I am prepared to admit it was unfortunate that the report was ever sent out to inquire about losses. That was done in the last few weeks of the sittings of the committee. At that time, many people had made up their minds, and one would have to be a genius to send out an inquiry and phrase it in an impartial way, to get the type of information required. The report went out and I am inclined to think a number of people had made up their minds, and when they returned the report, they were not trying to be impartial, but were trying to impress that the losses were low. I am not sure that the reports returned under these circumstances are as accurate as might be expected or as normally would be the case.

Therefore, in view of the fact that there will be others who will have an opportunity to speak on this Bill, and that I have covered the basic problems, let me summarize the points. I acknowledge that the dealers can take care of themselves. I acknowledge that the finance companies are not particularly interested in this matter.

However, there is one significant fact which must be borne in mind with respect to the finance companies. They obtain their business from the dealers, and they let it be known to the committee in no uncertain terms that they would not wish to do anything contrary to the wishes of the dealers. Reading between the lines, I gathered that they acknowledged the principle as being good, desirable and necessary at some time, but they did not want to do, or say anything, which would prejudice them with the dealers who are their source of business.

There is one criticism which might be levied against the Bill and to which some consideration should be given. If a man receives a document from the government, no matter from which department, saying a certain person is the owner of a certain car, he is inclined to interpret that to be a guarantee of title. I do not think he could be blamed for making that interpretation.

However, in legal terms, it is only a report on title, as to what has been

found, and sent to the registry office. I believe we should give some consideration to the advisability of making that guarantee of title. If, as the hon. member for Waterloo South says, the losses are relatively small, the cost will not be appreciable in making it a guarantee of title.

In conclusion, may I say I am endorsing this Bill because I believe it will do something which should be done to uphold a rule of law. The average man in the street anticipates and expects that the law will protect him. He finds himself in a very difficult position when he cannot protect himself, when he cannot determine whether or not the title to a car is good or bad. I submit that in practice, he cannot determine that at the present time.

We have a duty to do something to afford him protection, to afford him an expeditious and simple manner of determining whether the title is good or bad. The legislation should be devised to make that system as simple and as effective as possible, at the same time giving as little inconvenience as possible to automobile dealers and such persons. I submit that the Bill now before the House does exactly that.

MR. J. ROBARTS (London North) : Mr. Speaker, I would like to make some contribution to the discussion on this Bill. First, I wish to associate myself very strongly with the fundamental principle involved in the Bill, which has been so adequately described by the hon. member for Waterloo North (Mr. Wintermeyer). I am a lawyer by training and I see in this situation a legal position that has ceased to have the effectiveness it was designed to produce in the first place.

I think it would be the height of idiocy to argue that our present county registration system is doing anything for anybody insofar as automobiles are concerned.

I feel that the big dealers who are opposing this — and I do not blame them, they are looking after their own interests — but they simply accept the losses that come to them as part of

their business overhead, and a reputable dealer does not put a clause such as the one read by the hon. member for Waterloo South (Mr. Myers) on the back of the contract. He accepts the liability of warranty of the sale he makes.

But what does he do with the loss he inevitably takes? He simply spreads it over a large number of transactions and, eventually, gets it back from the public. This scheme, as it is designed in this Bill, will stop those losses from occurring at all. The losses simply will not happen, and that in itself will effect a considerable saving to our society as a whole.

The hon. member for Waterloo South presented a very able argument and I know, having discussed this with him many times privately, he feels very strongly about this Bill. But I would like to point out to hon. members of the House that he approached it entirely from the point of view of the dealer, he did not approach it from the point of view of the individual, the same individual who was mentioned by the hon. member for Waterloo North (Mr. Wintermeyer), and that is the man who has to accept the \$1,000 or \$1,500 loss, either through buying a car that was stolen and having it taken away from him, or by buying a car which was previously encumbered.

Unfortunately, to discuss this case properly, I should be able at this moment to produce a list of the number of individuals who have lost money in this province and the amounts they have lost, but they are a group that I defy anyone to pinpoint. You hear about them, about isolated cases, and if you consult the lawyers in any municipality you will get an estimate of the number of people who have suffered.

But they are not organized; they have no association; and it is impossible to get any overall figures on who they are, where they are or how much they have lost.

But I am convinced in my own mind, through the evidence that has been brought before the committee, that there is a very substantial loss being suffered

by the citizens of the province and this system will just stop that loss completely.

In other words, it will not transfer it from one person to another, it will just insure that it will not occur at all.

I would like to deal with some of the points advanced by the hon. member for Waterloo South. It is very difficult to quote from the various bodies which have appeared before the committee because some of them appeared twice. As he pointed out, you get one opinion from the executive and perhaps you have the idea that there was another opinion held by the body of the organization. Frankly, I looked upon a great deal of that evidence with a certain amount of — I do not know exactly the word that I want to use — but I was not prepared to accept it 100 per cent. There seemed to be so much fluctuation in the thinking of the people who were appearing before us. It was difficult to know whether they were saying today what they thought yesterday or what they were likely to think tomorrow. Therefore, it became necessary as a member of this committee to make some fairly large assumptions oneself. I accepted that responsibility and am supporting this legislation.

There is no doubt that the automobile dealers — and I have discussed this with certain dealers in my own riding — fear and fear greatly the administrative difficulties that might be occasioned by this Bill. In other words, if they sell a car on Saturday afternoon they want the man who bought it to be able to take his family for a drive on Sunday morning, and properly so, because a man may wait 6 weeks debating whether he will buy a car but the minute he makes up his mind, and buys one, he wants to drive it.

We have had many conferences with the finance companies. They brought in legal talent from New York and we spent many hours going over this legislation item by item. I am convinced in my own mind that it is a serviceable piece of legislation as far as the industry is concerned.

As has already been pointed out this legislation will apply only to new model 1957 cars. As the years go by, we will include the new cars as they are constructed and built. It is probably the most flexible thing that we can devise. If there is anything wrong with it, and inevitably there will be, it can be rectified very early in the proceedings before many cars are affected.

Let us suggest the worst of all should happen and it should prove to be a completely impossible piece of legislation. At the end of one or two years it can be repealed, and I suggest very little dislocation would be caused either to industry or to the government. I do not think that would ever happen, but I just want to emphasize the fact it is a very flexible scheme and if it needs any alteration there would be no difficulty in producing it.

There are various points raised by the hon. member for Waterloo South with which I cannot agree. The first was his suggestion that perhaps an alteration in The Sale of Goods Act could provide for a statutory warranty which could not be avoided, might be the answer.

I have one answer to that, "you are just shifting the loss and instead of it falling on one individual, you are dividing it into a number of small pieces and applying each of those to every car that man sells." But sooner or later, the public will pay for it because it will be absorbed in the higher car prices. But in this system we will put an end to this loss because it will not exist, and in addition they will give the small man the protection he requires.

I think it would be very unfair to say the finance companies were not in support of this legislation, but as was pointed out by the hon. member for Waterloo North, their bread and butter comes from the dealers. They were quite frank in saying they were not going to make any decision but they did say, "As long as you are working on it we can help you, but we do not say whether we are for it or against it." They gave us a tremendous amount of assistance and I personally came away with the feeling

they were very interested in seeing the thing finally completed.

I would like to deal with the matter of costs for a few moments, because it is not quite as serious a situation as may appear at first blush. Without going into the particulars in various jurisdictions in the United States, we found where they had a good system, properly administered with reasonable fees, the thing carried itself.

I would like to point out also that today you register a bill of sale and pay for it and register a conditional sale agreement and pay for it, or register a chattel mortgage and pay for it. With this scheme these registration fees would be simply replaced by another fee so that it is not a brand new cost that we are imposing. In addition, the scheme is set up to take advantage of our present county court facilities and the facilities undertaken by our present issuers of motor licences, so I would think it could be handled at a cost that would certainly not be onerous to anyone.

I would like to deal for a moment with the famous questionnaire which was sent out. Frankly, from the answers that came back, I would suggest that anyone with an inventive flare could draw any conclusion he wanted from them, and some of them were so peculiar they caused a great deal of doubt as to their validity.

One man reported that he lost \$150,000 in one year and some 150 cars. That means, according to his report, he lost \$1,000 on every car he sold that year.

HON. MR. FROST: He should go out of business.

MR. ROBARTS: I do not ever think he was in business.

MR. MYERS: That is not so. There was no reply like that.

MR. MACAULAY: There was one I recall who lost \$150,000 on 150 cars.

MR. MYERS: I have not heard of anything like that.

MR. ROBARTS: Perhaps the hon. member for Waterloo South will admit we could not consider a couple of answers at all because they were obviously of not value. Perhaps my figures are wrong, however, I only raise that point because I am not impressed by any of the information contained in the questionnaires at all.

There is not a doubt in the world that this system causes a reduction in the number of stolen cars, because it reduces one of the greatest motivations for stealing, and that is resale. The hon. member points out that we have a good percentage of recovery in this province, but he says nothing about who got "stung" when those cars were recovered. Whether this information is available, I do not know, but cars are stolen in many cases for resale. When they are recovered, they are recovered from the man who bought it not knowing it was a stolen car, and he in fact is out whatever he paid for it.

There is another approach. We were told in the United States that the states which had not title law were turning into the dumping grounds for all stolen cars, because the car theft rings will not try to run those cars into a state that has a certificate of title law, because it is much too difficult to establish ownership in order to be able to sell them. We have had a certain amount of experience in this province with car theft rings, and I think that point has some merit.

Mr. Speaker, we have had a great deal of discussion about automobiles this afternoon. I could go on for some time but I think perhaps everything has been said. The arguments have been produced on both sides. I would like to finish on the note on which I started, and the note so ably put forward by the hon. member for Waterloo North, namely, that if there is involved in this whole question a matter of principle, and, frankly, the law we have today is bad, and we have here a solution to it which I recommend for your acceptance.

MR. R. GISBORN (Wentworth East): Mr. Speaker, as one of the committee who signed this report and one who was appointed to the committee at the first session of this Legislature last September, when the original committee was reconstituted to reconsider the original Bill No. 125, I would like to say briefly that, not having the advantage of the investigations conducted by the original committee, and not being a lawyer, I cannot argue the legal ramifications of this particular Bill. But I do think that the original Bill, being the unanimous opinion of the original committee, does contain some well-founded merits.

I had only a few sessions with the committee and my observations were they were fully confident of what they were trying to accomplish, and went about doing the job in a very efficient manner.

I would say in my impressions of the different organizations which made representations to this committee, I could not find in their presentations any definite or reasonable opposition to the principle of the Bill. I felt, rather, that they were concerned more with some of the mechanical administrative sections and in their presentations; in dealing with the committee, I feel sincerely that adjustments were made to their satisfaction which seemed to dispel their doubts.

I do feel, Mr. Speaker, that there must have been a great deal of thought given to the need of such a Bill prior to the setting up of the original committee in April, 1954, during the fourth session of the 24th Legislature. There must have been considerable thought given to the need for such a Bill to justify the setting up of such a committee to spend a great deal of money and a great deal of time investigating the problem. I would just like to say that I feel this Bill—from the short time I have had to investigate the problem of the workman in the street—will give him some added protection in making private sales without going through the finance companies' hands.

I would say the Bill should be supported and given a fair trial. If it is found in a few years that the Bill is not workable, there is nothing wrong with amending it or repealing it. I feel the Bill should be supported.

Hon. L. M. Frost moves the adjournment of the debate.

Motion agreed to.

FINES AND FORFEITURES ACT

Hon. A. K. Roberts moves second reading of Bill No. 132, "An Act to amend The Fines and Forfeitures Act."

Motion agreed to; second reading of the Bill.

THE FIRE DEPARTMENTS ACT

Hon. Mr. Roberts moves second reading of Bill No. 99, "An Act to amend The Fire Departments Act."

Motion agreed to; second reading of the Bill.

He said: I would like to address the House for a few moments in connection with this Bill on second reading. This Bill affirms 3 principles: First, the principle of the right of a firefighter to a hearing before dismissal. Secondly, the principle expedites bargaining and arbitration procedure, and, thirdly, the principle of making quite clear the meaning of the word "pension" as used in the collective bargaining section of the Act.

I think I might refer historically, very briefly to the fact that compulsory arbitration, binding upon the municipality for policemen and firemen, was first introduced and provided for in this Legislature in 1947. At that time, it was with respect to remuneration and working conditions. The legislation was based on the fact that firemen and policemen were effectively deprived of strike procedure, but both groups recognized their services must be available without interruption, if such a service was to be satisfactorily maintained in the public interest, in a municipality.

Since 1947, there have been a few amendments. In 1948, certain changes were effected, to make bargaining more workable in both the fire and police Acts; in 1949, the fire and police chiefs were excluded from bargaining, in both Acts.

In 1950, the subject matter of bargaining was expanded to include pensions, again by amendments to both Acts. I will say a word about "pensions" in a moment, but to bring to the attention of the House something which is very close at hand, may I say that just 10 days ago, the fire chief in Hali-burton was carrying out his duties at a bank fire, and lost his life at that time.

In 1955, the Fire Departments Act was amended to provide for arbitration of disputes concerning interpretation and awards. The present Bill is for the purpose of establishing the 3 main principles I have mentioned: the right of hearing before dismissal, the provision for expeditious bargaining, and arbitration procedures, and clarifying the definition of "pension."

When the Bill reaches committee stage, I propose to move certain amendments to the Bill, as follows:

"1. That section 3a as it appears in the Bill be struck out and the following substituted:

3a. A full-time firefighter shall not be discharged without being afforded the opportunity of a hearing before the municipal council or a committee thereof designated by the council if he makes a written request for such hearing within 7 days after he receives notice of his proposed discharge.

"2. That in section 2 of the Bill the time within which the bargaining must commence be increased to read 120 days instead of 90 days.

"3. That the time in section 3 within which the appointment of the members of the arbitration board was to be made be increased to 30 days instead of 14 days.

"Reprints of the Bill with the proposed changes will accordingly appear

in the Bill books before the Bill is called in committee."

With regard to one principle of the Bill, clarifying the meaning of the word "pension" as used in the collective bargaining section of the Act, which enumerates the matter which may be the subject of bargaining, that is, remuneration, pensions, or working conditions of the full-time firefighters, other than the chief.

Subclause (iii) of clause (a) of paragraph 48 of The Municipal Act (chapter 243) of the Revised Statutes of Ontario, 1950, reads as follows:

"Pension" means an annuity commencing on the retirement date of an employee and payable in monthly instalments as long as he lives and includes a joint-survivorship annuity similarly payable as long as he and another person lives and continuing until the death of the survivor of them, and purchased by payments by a municipality or local board and deductions from the salary, wages or other remuneration of an employee together with interest on the sum of both such amounts.

It should be noted that this type of pension may be applied to any or all civic employees, and the amendment merely gives a similar right to full-time firefighters. It is not, of course, compulsory, but may be a matter of agreement arrived at by the collective bargaining processes as set out in the Act.

There is also a provision for the matter being referable to the hon. Minister of Municipal Affairs (Mr. Goodfellow).

Since the introduction of this Bill, the Mayors and Reeves Association was heard by the hon. Minister of Labour (Mr. Daley), the hon. Minister of Municipal Affairs, and myself, and on that same day, a delegation from the Firefighters Association was heard.

We think the present Bill, as stated, is for the purpose of establishing the 3 main principles which I have outlined, and is now presented to the House for second reading.

MR. D. MACDONALD (York South): Mr. Speaker, I want to add a brief word in support of the principle of this Bill. I think it acknowledges a real problem involving these unions, which happen to be in public service, where being deprived the right to strike raises very serious difficulties in the life of a community. Anybody who knows anything about trade unions is fully aware of the fact that to deprive a union of the right to strike is to reduce the effectiveness of that union in its negotiation and bargaining power. I think the move made in this Bill to recognize the particular position of this group of workers, is entirely valid, and I would like to support it.

MR. R. GISBORN (Wentworth East): Mr. Speaker, regarding the amendment to section 3, in regard to the appointment of an arbitration board; is the time extended in both cases?

HON. MR. ROBERTS: Yes, the period becomes 30 days instead of 14.

MR. GISBORN: In both cases?

HON. MR. ROBERTS: Yes.

MR. GISBORN: In the appointment of a chairman or if an appointee fails to act?

HON. MR. ROBERTS: Yes. In section 3, it is provided that an arbitration board appointment is to be made within 30 days. Formerly, it was 14. I think wherever the figure "14" appears, it will be changed to "30."

MR. GISBORN: It says where an appointee fails to act, another man may be appointed — and here it says "14 days."

HON. MR. ROBERTS: It should be "30 days."

MR. SPEAKER: I would like to change the order of business if I may. I arranged with two hon. members to say a few words before the Orders of the day, but we did not get around to them, and I would like to revert to it, after the hon. Prime Minister concludes.

HON. L. M. FROST (Prime Minister): I have received a large number of telegrams from municipalities which I will not read, but they have been sent from such places as the city of Windsor, the city of Peterborough, the city of Hamilton, and many others.

MR. MacDONALD: Some of us received a large number from unions across the province.

HON. MR. FROST: I say, with all respect, that the municipalities of Ontario recognize their problem and situation, and I can assure you we will be very careful not to do things which infringe upon the municipal autonomy. I think the hon. leader of the Opposition will agree to that.

MR. OLIVER: Oh yes, certainly.

HON. MR. FROST: Most of the telegrams request time to study the Bill. These telegrams are dated, for the most part, at the end of last month, and nearly a month has elapsed, so I think there has been plenty of opportunity for them to study the Bill.

Since that time, my colleagues and I have spent a considerable amount of time looking over the particulars of the Bill, and I think they are entirely fair and just. I cannot see anything wrong with the Bill at all. It provides for a hearing, if an employee is about to be discharged, but before he is discharged. I cannot see anything wrong with that. It provides for pension in the same form as with other municipal employees. I cannot see anything wrong with that.

Then there are provisions to deal with the bargaining situation, which I do not think are at all unreasonable. Those are the principles.

In the meantime, I may say that I really have not heard any substantial objection to the Bill. Upon looking it over, I have no hesitation in saying the Bill is a just one, and should be passed.

Motion agreed to; second reading of the Bill.

MR. SPEAKER: I will revert to Orders of the day, and will give the floor to the hon. member for Russell.

MR. G. LAVERGNE (Russell): Mr. Speaker, before the Orders of the day, I would like to make reference, if I may, to what was said in this House a short while ago by the hon. Attorney-General (Mr. Roberts), concerning railway crossing fatalities. From information which was made available to me, I am led to believe that a report has been made on this, and other accidents of that precise nature which have occurred, and on February 21 of this year, just west of the village of Navan, in the riding of Russell, which I have the honour to represent.

Mr. Speaker, I would like to ask the hon. Attorney-General whether he can shed any light on this matter in view of his statements regarding the attempt to reduce or eliminate accidents such as this, in the province. Would the hon. Attorney-General inform the House whether he will or has looked into this matter?

HON. MR. ROBERTS: May I say in reply to the hon. member for Russell, Mr. Speaker, in regard to the accident referred to; from information I have obtained, the crossing is a bad one. The approach to the crossing is on an incline, and to the east there are obstructions by a hedge and the railway station at Navan, and according to the report, it is actually impossible to see even the headlights of a locomotive until the train is practically on the crossing. It is a very bad, unprotected crossing.

At the time I spoke in the House concerning the alarming number of fatalities which had occurred during the early winter months, at level crossings, I wrote to the Board of Transport Commissioners. A few days ago I received a letter in reply from the chief commissioner of the board, Mr. Justice Kearney, and he indicated in that letter that he was very much alive to the situation of these unprotected level crossings.

It would appear that, in 1955, 16 out of 21 fatal accidents which occurred at level crossings occurred at those which were unprotected. Of course, there have been cases where the drivers

have been so negligent that even with all the warning signal apparatus, accidents have occurred, but the fact that 16 out of 21 occurred at unprotected level crossings would seem to indicate there is room for doing a great deal in an attempt to prevent such occurrences.

I understand the federal government provided this board last year with a larger amount of money than at any previous time, and now automatic control protection apparatus can be supplied, to the extent of 60 per cent. of the cost, and I understand the maximum of \$300,000 has been appropriated in connection with providing the necessary construction at any railway crossing by the federal government. Of course, the municipalities concerned are contributing, and in some cases, I think there are contributions from the province.

Where applications are made to the board the suggestion has been made that sometimes municipalities are fearful of the cost, and do not make their applications as quickly as they might. In relation to this accident and in relation to all crossing accidents generally, I am glad to say that the chief commissioner has suggested that he and his chief engineer should come to Toronto and confer with the hon. Minister of Highways (Mr. Allan) and myself at an early date, in the hope that we can work out some better protective measure.

MR. J. A. C. AULD (Leeds): Mr. Speaker, I should like to make a statement in connection with a story which appeared in this morning's *Globe and Mail* in which I was quoted, and which I feel might be misleading, since a paragraph or two seemed to have been left out. In speaking about the question of double taxation which occurs in some toll roads in the United States, I said yesterday:

A person who drives a car pays a tax on the gasoline, and then has to pay an additional charge to drive on the road, yet no use of the gasoline revenue was made for the construction of it.

The point I was making was that this would be avoided by recommendations 2 and 3 of the report, in other words, that the province contribute part of the cost of the construction of the toll road, and the toll be set at a figure to pay only the remainder of the cost.

One justification for such a contribution would be that additional facilities are required to handle traffic between two points. The costs of a standard road would be contributed by the province to the toll authority, the toll, therefore, would pay only for the added benefits given by the higher standards of the controlled-access divided 4-lane roads.

If, for example, a standard non-controlled-access highway cost \$150,000 per mile and the toll road cost \$600,000 per mile, the province might contribute \$150,000 per mile from revenue. This would reduce the toll charge by 25 per cent. and avoid the double taxation referred to.

MR. SPEAKER: Orders of the day.

THE POLICE ACT

Hon. A. K. Roberts moves second reading of Bill No. 133, "An Act to amend The Police Act."

He said: Mr. Speaker, this Act generally is similar to what I have already outlined this afternoon in The Fire Act. The purpose is to expedite collective bargaining and arbitration procedure; collective agreements must be in writing; deputy chief constables are removed from the collective bargaining provisions, and compulsory arbitration is provided for small forces, just as there is compulsory arbitration for larger forces. But, as the Act stands at the present time, forces of less than 5 have no way of securing a final compulsory effective arbitration proceeding.

However, by this Bill, a single arbitrator can be appointed to carry out the function for these small forces in exactly the same way the larger arbitration boards function for the larger

forces. That, in substance are the purposes of the Bill. The principles are very similar to those outlined in connection with The Fire Act.

Motion agreed to; second reading of the Bill.

NOTICE OF MOTION

Mr. D. MacDonald (York South) moves:

THAT, in the opinion of this Legislature, the objective of the Ontario fair practices legislation can be achieved more effectively if its administration is placed with a commission or board, adequately staffed, whose responsibility will be:

(1) to investigate alleged violations of the Acts, thereby relieving already overburdened staff of The Department of Labour;

(2) to promote and co-ordinate public education on human relationships as the only sure manner of meeting the problem of discrimination on the basis of race, colour or creed.

MR. MacDONALD: Mr. Speaker, may I at the outset state that everybody in this province accepts and supports the principles back of this legislation but I think one of the main difficulties we have had—

MR. SPEAKER: Order. You have not a seconder.

MR. MacDONALD: Mr. Speaker, I move the adoption of the resolution, seconded by Mr. Thomas.

MR. MACAULAY: Mr. Thomas is not in the House.

MR. MacDONALD: I would like to point out, Mr. Speaker, that precisely 5 minutes ago I was informed that this and resolution 2 were going to be called. The hon. member for Wentworth East (Mr. Gisborn) has gone out to get the information on resolution 2, otherwise he would be here to second my motion. We have had 5 minutes' notice of this, and that is the reason the hon. member for Wentworth East is not here.

HON. MR. FROST: Perhaps some hon. member would second the motion in order to get it before the House. Perhaps one of the hon. opposition members?

MR. NIXON: Why not second it yourself?

HON. MR. FROST: I might have something to say about it.

MR. MacDONALD: I was wondering why the hon. Prime Minister did not volunteer.

MR. SPEAKER: Has the hon. member a seconder?

HON. MR. FROST: The resolution might stand for a few moments, Mr. Speaker, and we can proceed with other business.

THE POWER COMMISSION ACT

Hon. W. K. Warrender moves second reading of Bill No. 104, "An Act to amend The Power Commission Act."

Motion agreed to; second reading of the Bill.

THE NIAGARA DEVELOPMENT ACT

Hon. Mr. Warrender moves second reading of Bill No. 105, "An Act to amend The Niagara Development Act, 1951."

Motion agreed to; second reading of the Bill.

THE ST. LAWRENCE DEVELOPMENT ACT

Hon. Mr. Warrender moves second reading of Bill No. 106, "An Act to amend The St. Lawrence Development Act, 1952 (No. 2)."

He said: The first section, Mr. Speaker, has to do with the definition of "works," which brings it into line with the definition already contained in The Power Commission Act.

The second section is self-explanatory. It has to do with expropriating land, and bringing the new provisions into line with the corresponding provisions in The Power Commission Act.

The fourth section has to do with cemeteries and I think is a very important one, and I will enlarge on that. I have been given to understand by the officials at Hydro, that things are going along well down there, so far as suggestions made here are concerned. There was one suggestion made that perhaps the definition of "lot owner" might be enlarged, but on further consideration it was found that the present definition of "lot owner" pretty well covered the situation.

As is indicated in this section, provisions are made for the moving of all cemeteries in the area of the development, if so required, and the replacement of monuments and stones in the substituted cemeteries. I believe there are 14 of them. Many persons — approximately 80 per cent., I am told — have indicated they are not interested in having the cemeteries moved, but would prefer to have the stones and monuments re-erected in the substituted cemeteries. Provision is made here for due notice in the local papers in the areas affected so that anyone who may have an interest in having a body moved, may bring it to our attention, and we will take action to have it moved, without cost to that owner. That, in effect, is the sum and substance of the section. If any hon. member has any questions, I shall try to answer them.

MR. P. MANLEY (Stormont): Mr. Speaker, in regard to cemeteries, I would like to ask the hon. Minister a question. He said if there is a request made, for instance, by a member of the family, or a friend of someone who is buried in the cemetery, the body will be removed. What will happen in cases where people have moved away? Is there going to be sufficient notice so this will be brought to their attention, so they can have the remains moved from one cemetery to another?

HON. MR. WARRENDER: I did not make the statement that a friend may send in a request. The section makes that clear, in subsection 6, that it must be a lot owner who makes the request. Now, "lot owner," as defined, can mean the owner of the whole cemetery, and I understand there are some instances of that kind, down there. In other words, if the "lot owner" were the owner of the whole cemetery, he could make a request that all of these bodies contained in the cemetery be moved, and we will move the whole group of bodies, and they will be re-interred in a substituted cemetery in a new location.

There will, of course, be persons buried there, who have no relatives, at least none have been seen nor heard from for many years, and it will be understood if there is no request made, and no one has an interest in having a body moved, it will not be moved.

With recent burials, of course, in most places there will be someone in the vicinity who will be interested, and will want the body of a relative moved to a substitute cemetery. You can see the difficulty, Mr. Speaker, if there is no relative at all, and no one has been heard of for years, or perhaps generations, so we have made no provision for those cases at all, because it would be an extremely difficult thing to do.

Let us assume — and this is what the hon. member is getting at — that we should remove all the remains from the cemeteries to substitute cemeteries; the cost would be tremendous. As I have already indicated, approximately 80 per cent. of the persons who are going to be affected by this have indicated they do not wish the remains moved, but they do wish the bodies removed of those who have been recently interred. What is the reason for this? It depends on the whims of these people who are interested in relatives who are buried there, and have been for a period of 5 or 10 or 50 years, for all we know, but if the lot owners indicate to us they wish the bodies moved, that will be done, at no cost to them.

MR. MANLEY: Mr. Speaker, I have not suggested that all bodies should be moved. That was not my suggestion. I wanted to ask the hon. Minister what type of advertising is he going to have? How is he going to inform the people?

HON. L. M. FROST (Prime Minister): Might I ask the hon. member if this might not be better asked in committee?

MR. MANLEY: That would be all right, Mr. Speaker.

HON. MR. FROST: The principle, of course, is to move the cemeteries, the stones and the remains, if requested, and I think the question the hon. member quite properly raises is as follows: Is the notice sufficient? I think that could be taken up in committee, and I may say to him that I would want to see that there is ample protection afforded on that point also.

Motion agreed to; second reading of the Bill.

NOTICE OF MOTION

Mr. MacDonald moves, seconded by Mr. Thomas:

THAT in the opinion of this Legislature the objective of the Ontario fair practices legislation can be achieved more effectively if its administration is placed with a commission or board, adequately staffed, whose responsibility will be:

(1) to investigate alleged violations of the Acts, thereby relieving already overburdened staff of The Department of Labour; and

(2) to promote and co-ordinate public education on human relationships as the only sure manner of meeting the problem of discrimination on the basis of race, colour or creed.

He said: Mr. Speaker, I stated a moment ago that I think it can be asserted without fear of contradiction that this legislation has the support of the overwhelming majority of people in the province. I think we have run into

some difficulties with the administration of the legislation up until now, and I want to suggest that a good many of those difficulties have arisen from the fact that the legislation was placed in a department whose head was not really in sympathy with the legislation, and, more particularly, I refer to the hon. Minister (Mr. Daley).

The hon. Minister was extremely sensitive yesterday when we raised other points. I wish that during the last year or two, he had been equally sensitive about the feelings of various people across this province, whom he, on a number of occasions, has "smeared" as being Communists. I happen to know some of them as being honourable and respected members in their own community, and taking part in various organizations, and yet the hon. Minister "smeared" them as being Communists, because of the fact that they took an interest in the situation in Dresden, with a view of proving whether or not this legislation was effective.

If the hon. Minister has forgotten, perhaps I could remind him and the House of one or two of those instances. For example, on October 30, 1954, the *Telegram* carried a story under the headline:

DALEY BACKS FACE WITH COLOUR BAR STAYS:

Mr. Daley is quoted as saying that he was more convinced than ever that he was right in refusing to prosecute the offenders in Ontario's anti-colour bar. He blamed a Communist group for stirring up trouble in Dresden, "They are going to have difficulty making trouble with me." And when reporters told him of the incident, he said: "It is a pretty cheap way of getting a story for a paper and you can say I said that. This thing is settling down beautifully."

HON. MR. DALEY: Anything I say can always be said any place.

MR. MACDONALD: Well, Mr. Speaker, I will tell the hon. Minister how beautifully it was settling down. Within about 3 days, the hon. Prime

Minister stepped into the picture and said that what the hon. Minister said would not be done, would be done, namely, to prosecute in the Dresden case.

HON. MR. FROST: Mr. Speaker, I do not think I ever said anything of the sort. I do not think I have ever interfered with the processes of justice.

MR. MacDONALD: I do not think I said the hon. Prime Minister did anything of that sort, I said he intervened 2 or 3 days later, and announced that the prosecutions were going to be proceeded with. On a Saturday, the hon. Minister said there would be no prosecutions, and on Monday or Tuesday of the following week, the hon. Prime Minister indicated that there would be prosecutions.

HON. MR. FROST: That is what the hon. member for York South says, but did I? I doubt if I did. He may be able to show that I did, but I think that is only his own interpretation.

MR. MacDONALD: No, Mr. Speaker, according to the papers here the hon. Prime Minister announced 3 days after the hon. Minister indicated there would be no prosecutions, that what had happened in Dresden was sufficient justification to warrant a prosecution.

HON. MR. PORTER: Has the hon. member the clipping here?

MR. MacDONALD: No, I do not happen to have that particular clipping here. Sometimes hon. members opposite are unhappy when I have a clipping, and now they are unhappy when I do not have one.

HON. MR. FROST: Mr. Speaker, I do not want to resort to technicalities, but we prosecuted—and when I say “we”, of course I mean that the machinery of the law took effect—and a prosecution was launched.

MR. MacDONALD: All right, I hope the hon. Prime Minister got his point neatly made, whatever it may have been. My point, sir, was the simple one that the hon. Prime Minister announced the prosecution 3 days after the hon. Minister had announced there would be no prosecution. I do not think that is so difficult to grasp.

The next chapter in the problem of administration of this Act was what emerged from Judge Grosch's decision. I am not going into the details of that decision, but I have rarely, if ever, read a more fantastic decision which, to my mind, was a perversion of justice, and I have reason to believe that many lawyers in the province, including the hon. member for Victoria, were equally unhappy with the judgment, to the extent that some comments appeared in the paper.

HON. MR. FROST: Mr. Speaker, I must say that I found myself in some disagreement, but then I am only a country lawyer.

MR. MacDONALD: You will note, Mr. Speaker, that I did not say the “hon. Prime Minister,” I said the “hon. member for Victoria.” I had him back to his status, as he has just described it, a “country lawyer” at that point.

However, in the *Globe and Mail* of September 16, 1955, we find:

Premier Frost is quoted as describing as “ridiculous” reports that the convictions had been put aside because neither restaurant keeper had told the negroes they were not being served because of their colour.

Then there is the following very pertinent remark supposed to have been made at that time by the hon. member for Victoria:

Surely it is not necessary that a bank robber must announce that he is going to hold up a bank before he is convicted of bank robbery.

And that, Mr. Speaker, is in essence the point in the judgment, and a very astounding one.

However, to proceed, after the judgment had been rendered, apparently the hon. Minister in charge of the administration of this Act was quite triumphant; he said that the judgment had rendered the colour case "dead as a door nail."

HON. MR. DALEY: That is right. I said that.

MR. MacDONALD: That is right, and as the election campaign emerged last May, the *St. Catharines Standard* of May 13, 1955, has these two paragraphs to show that even, after all this experience, the hon. Minister still was not persuaded to a more sympathetic approach to the legislation, but after all that had been said, was convinced that it was the Communists who were stirring up trouble in regard to this and other problems emerging insofar as the legislation and its administration, as revealed in the Dresden instance. For example, the *St. Catharines Standard* had this to say:

The Labour Department moves slowly on the problem of racial discrimination that reared its head in Dresden. Communist sponsored negroes visited places where they would not be tolerated, news men were called in to witness the flare-up. Prejudice is hard to destroy, Mr. Daley pointed out. People who have refused to serve coloured people for years could not change their attitude overnight, as it is a matter for education. The law of the country must be pointed to.

I cannot vouch for the *St. Catharines Standard* giving an accurate report of what the hon. Minister said.

HON. MR. DALEY: It is usually pretty accurate.

MR. MacDONALD: But those words "the law of the country must be pointed to" rather than "enforced", I think is a remarkable thing. So I come to my point with regard to part one in the resolution, Mr. Speaker, because, up until now, there has been pretty

conclusive evidence of a lack of sympathy for this legislation in The Department of Labour.

But I might add, in all fairness to the hon. Minister, that I am told by those who are following these cases very closely in the courts and so on, that there is now evidence perhaps of more sympathy for the Act than has emerged in the department.

HON. MR. DALEY: I do not want the hon. member for York South ever to be fair to me.

MR. MacDONALD: Well, whether it is an acquired or imposed wisdom, I do not know. However, I think a significant point is that from the discussion we have had already on The Department of Labour Estimates, it is obvious that The Department of Labour is one of the most overworked departments in terms of its personnel. Here we have another problem that has been dropped into the laps of already busy people—the problem of administering this Act. Now Labour Department personnel can acquire the necessary knowledge to administer an Act which is somewhat different than labour legislation, and I think they have been acquiring it, but I also think if we are going to administer this Act well, we have to have people who are familiar with inter-group relationships and related problems. Therefore, Mr. Speaker, I come to the second part of my resolution:

"To promote and co-ordinate public education on human relationships as the only sure manner of meeting the problem of discrimination on the basis of race, colour or creed."

That is, Mr. Speaker, that we should have established what I have referred to here as a commission or board. May I draw your attention, sir—and the hon. Prime Minister will be aware of this—that within the last couple of months he has received delegations from two groups, namely, the civil liberties group and one from the Ontario Federation of Labour, and possibly one from the

Ontario Provincial Federation of Labour—although I am not dead certain whether the third did mention this—saying that, in their opinion, the proper way to administer this legislation was to place it in the hands of a commission, such commission to have not only the original responsibility of investigating cases, but then to have what is, to my mind, Mr. Speaker, even more important, the problem of education.

Admittedly in the long run, the real answer to coping with prejudice on the basis of colour, creed or religion, is an educational problem. People just have to learn that this kind of thing is not part of human relationships, that if we pay lip service to the principle of human brotherhood, then we do not treat our brothers and sisters in a discriminatory manner, because they happen to be of a different race, colour or creed.

Basically, Mr. Speaker, the problem is one of education, but my suggestion is that they have not, up until now, pursued any significant programme of education. As a matter of fact, I have been interested in reading the views — to pick but one — of the editorial writers for the *Globe and Mail*, who constantly say that the answer is education, and yet I have still to find the *Globe and Mail* taking a stand lending support for the kind of programme which will make certain that we do get education.

In other words, if you have a community like Dresden where instances of the kind in question have occurred, you do not go in and prosecute one or two, and then ignore 5 other instances of violation of the Act, or where presumably there may have been violations. Rather, you go into that community with an educational programme, and try to persuade these people, by normal education techniques, through newspapers, publications, radio and so on, that this is the kind of inter-group and personal relationships we should have with human beings.

Therefore, Mr. Speaker, I would like to lay my greatest emphasis, not on the rather unhappy experience we have had in administering the Act up until now,

because I think perhaps some of the problems are working their way out, but more particularly on what I think is even more important, that we should institute an educational programme so that we can do the basic job of removing discrimination on the basis of race, colour or creed. Both of these tasks can be more ably and more capably, more efficiently done by a commission, with perhaps one full-time personnel, the others being people in the community who can be drawn on because of their knowledge of inter-group relationships, and organizations which are sympathetic to this kind of problem. This kind of commission should give direction to both the investigation and education programme, so that we can really make this legislation effective in achieving its purpose.

HON. C. DALEY (Minister of Labour): Mr. Speaker, in answering the hon. member for York South, I wonder if the regulations of this House require me to address him as the "hon. member"? Is that necessary?

MR. SPEAKER: I am afraid it is.

HON. MR. DALEY: Do I have to do that, sir?

MR. SPEAKER: I am afraid the hon. Minister will have to.

MR. MacDONALD: The hon. Minister does not have to, if he does not want to.

HON. G. H. DUNBAR (Provincial Secretary): Did the hon. member for York South not have enough to say? Do not chirp in every minute. I will take him in hand sometime.

HON. MR. DALEY: In answering the hon. member for York South I do not know just how to approach this matter of his suggestion that the department is not sympathetic to this legislation.

I would like to point out that from the very inception of this anti-discrimination legislation, which this government brought into being in 4 Acts, I have

taken a very prominent part in developing it. I am a member of the Cabinet of this government and have been in all the discussions on this matter, and I think I contributed quite a bit to developing this sort of legislation, because I believe in it. I believe in it to the point that, long before there was any legislation of this kind, I had in The Department of Labour coloured people, Jewish people, Japanese people and people of other nationalities.

MR. MacDONALD: Why did the hon. Minister describe others as "Communists", because they believed in what they did?

HON. MR. DALEY: Mr. Speaker, I want to put it on the record that I have a very sympathetic regard for this type of legislation. In this great province of ours, I want to see equality for all, where every person has an opportunity.

In the case in Dresden, after the Acts were passed, there was evidence that there would be a little trouble there. It is quite evident there are quite a few coloured people in that area, and when these Acts were passed it would be necessary for the people in that area to change their thinking.

We were following a policy, as the hon. member suggests, of education and personal contact. We talked it over many times with the hon. member for that particular area, and with many other people there. I think the whole situation in Dresden was simmering down very nicely, and that the people in general were accepting the new laws, as others have done throughout the whole province, when an organized attempt was made to stir them up. I still say it was organized. You do not just happen to "bump" into a couple of photographers, and a couple of people of different nationalities and of different colours, in a restaurant in Dresden.

MR. MacDONALD: Organized by "Communists"?

HON. MR. DALEY: That was plain.

MR. MacDONALD: Does the hon. Minister say that again? Organized by "Communists"?

HON. MR. DALEY: I would say so.

MR. MacDONALD: Let us have that on the record.

HON. MR. DUNBAR: What record has the hon. member got?

HON. MR. PORTER: Could the hon. member prove that it was not?

HON. MR. DALEY: Mr. Speaker, we were making good progress, and it was the opinion of the people to whom I talked, including our own hon. member from that area, that this matter was being handled nicely, until this incident happened. When it happened, it was necessary to make some decision whether we would continue with the efforts we had been putting forth in this regard, or whether we would just haul people into the courts.

In my opinion, the best way to promote no discrimination in this province is by education, by bringing in a realization amongst the people that this is the law, that it is not desirable to discriminate in this province, or in this country. I think we were making very good progress.

However, the incident occurred, and eventually we found it was reasonable to prosecute this person. The evidence was laid before the court, the court made a decision, it was then appealed, and a judge made a decision. I say then, and I say now, that I have every faith in the justice of our courts. I am not equipped with the legal mind sufficiently to debate whether the judgment was right or not, but I believe our learned judges are fair and reasonable men, and make decisions on the facts as they see them.

When I was asked over the telephone by a very energetic reporter, what I thought about it, I knew there was no further appeal and I said: "As far as I am concerned, it is as dead as a door nail, the judge has spoken."

Since that time, we have amended the legislation dealing with this matter so that there can be a further appeal. I agree with that.

I would like to point out briefly how this Act is administered in my department. We have a director whose main job is to deal with it. He is a very competent individual who has been in The Department of Labour for some time; he has been a great labour man, a leader in labour activities, and came into The Department of Labour. It is his special job to look after this matter.

MR. MacDONALD: Who is that?

HON. MR. DALEY: Mr. Nutland. We also have Mr. Fine. I think no one can say that Mr. Fine would stand for discrimination. He would do everything he could to rectify it. We also have Mr. Metzler. To all intents and purposes, that is a commission to deal with these things, when they come before the department.

We have established a policy regarding the method of doing this. If anyone feels he has been discriminated against, whether it is in the most southerly or most northerly part of the province, I can have someone look into the case the next day. I have conciliation officers all over the province. If a properly signed report comes in from the person—not from some unknown person who just wishes to send in a report and send us on a wild goose chase—who feels he has been discriminated against, we will investigate that report immediately; if not that day, the next day. What greater service could there be?

Our conciliation experts go into the case and examine it, and usually are able to negotiate an agreement. In some cases, the individual who claims he was discriminated against does not realize that actually he was not discriminated against at all. There are persons who think they should have secured a job and did not get it, because of their colour or their creed. Those cases are investigated immediately, and without delay. There could be a commission specially set up for this, but it would take weeks,

and one might never get a decision. We are able to settle the point right away, and we can prosecute within a matter of a very few days. That is our policy. Those 3 persons are not set up as a commission formally, but to all intents and purposes it is a commission to deal with these matters.

Our difficulties have been very minor ones. The number of cases has been small, and the ability of our people to correct them has removed almost every one of them. I have not the exact number of cases which have come before us, but it is much less than 100, and they have all been dealt with. We have been able to settle all these cases, with the exception of the Dresden situation. This man was taken into court, found guilty and was sentenced. That is the way we act.

I do not see anything wrong with the legislation and I resent most bitterly when the hon. member for York South says—and that is about the second or third time he has said it during this session—that I have no sympathy for this legislation. Of course I have sympathy for it, and I want to see that everyone in the province gets a “square deal.”

MR. F. R. OLIVER (Leader of the Opposition): Mr. Speaker, when The Fair Practices Act was passed through the Legislature—

HON. L. M. FROST (Prime Minister): Mr. Speaker, we have passed 7 Acts. To which one does the hon. leader of the Opposition refer?

MR. OLIVER: When the Act was passed to which this resolution refers, it was felt by members on our side of the House that this legislation and related legislation would have the effect of ruling out “unfair practices,” as they are commonly called and referred to, under the legislation. I believe that, in the main, we have been successful in doing that. The hon. member for York South pins his whole case for change on the Dresden case. I imagine that in a great many other instances throughout the province the legislation has been

effective in preventing unfair practices. It seems to me that the case made by the hon. member is not sufficient that we should move from the present practice to a new, untried way of dealing with these matters.

The resolution says that we should set up a commission because The Department of Labour is not sufficiently staffed to do the job, that it is overworked. I am not persuaded that it is overworked, but if it is, then the simple remedy is to add more people to the staff in order that the job may be done effectively.

I am not persuaded, either, that the job in hand can be accomplished better by a commission than under the hon. Minister of Labour (Mr. Daley) and a responsible department of government of this province.

The thought that one has in mind in dealing with this, and which disturbs one a little, is the legislation itself, referred to by the hon. member for York South (Mr. MacDonald). We were hopeful in passing the legislation that it would stand up in court, and that we would be able to get a conviction under its terms. The job of legislators is to try to reach perfection, and if the legislation is not such that convictions can be obtained under it, then we have the added duty of amending the legislation, so it will stand up in court, in order that convictions can be gained. I believe that we have moved some distance in the right direction, and I think the hon. member for York South agrees with me in that.

For the moment, I cannot go along with the import of the resolution on the Order paper, and I am prepared to support the hon. Minister in the task he has undertaken, feeling that his heart is in the right place, because it beats in harmony with the needs and with the wishes of everyone in the Legislature.

Mr. Speaker, if it is demonstrated in the years to come—and I submit it has not been thus demonstrated so far—that the law is not a reasonable one

and has not had a salutary effect on those who would seek to practice unfairly in the province, then it will be time enough, when we have proved that the law has failed, to support the resolution. However, I am prepared to support the present legislation, rather than embark on a new scheme, such as is outlined in the resolution submitted by the hon. member for York South.

MR. J. YAREMKO (Bellwoods): Mr. Speaker, in rising to speak to this motion I am sure all hon. members of this House know that the basic subject matter of this motion has been of interest to me all my life. I am proud to be a supporter, as I said before, of this government not only for the reasons of this one, but for others. And particularly the fact that this government has placed in the past decade legislation of this type on the books.

I am not one to believe that legislation in itself will bring about the goal we seek. Legislation has its part. I am not one who believes that punitive measures really are the way to do the job.

The punitive sections of our Acts have a function to perform, but a man who is prevented from, or does not practice discrimination because of the fear of a \$50 penalty over his head, is not the type of citizen we really want. We want the type of citizen who does not discriminate because that is the way of life to which he subscribes.

So in the legislation that has been passed to me the most important part of the Statutes on the books are the recitals. In the Act to permit fair employment practices in Ontario, the first recital is as follows:

Whereas it is contrary to public policy in Ontario to discriminate against men and women in respect of their employment because of race, creed, colour, nationality, ancestry or place of origin.

In the other Statute the first recital is in an affirmative way:

Whereas it is public policy in Ontario that places to which the public are customarily admitted be open to all without respect to race, creed, colour, nationality, ancestry or place of origin.

To me those are the two important sentences in the Statutes on the books of this House, because this House is on record interpreting the public policy of the province as a whole and has expressed itself.

I am proud to be a supporter of the government which introduced this legislation. I count myself privileged to have been a member of the House when The Fair Accommodation Practices Bill was introduced. In this House we have heard utterances by the government that if legislation should prove not to be strong enough, steps would be taken. That is not just "paying lip service", because the moment a defect in the whole administrative setup did show itself, that there was no right of appeal where a right of appeal should have been, this government immediately took steps to introduce legislation which would provide for the appeal.

As to the administration of the Act itself, I personally have never had occasion either privately or publicly to know of any person who, in the ordinary course of his life, has had a direct matter under the legislation that has not been fairly dealt with under the administrative setup as it exists today. I agree with the hon. leader of the Opposition (Mr. Oliver) when he states that, until it is shown otherwise than that this legislation is being administered satisfactorily, no further changes should be taken in its administrative setup.

Those who support or favour the idea of a commission are ready to admit themselves that the present administration is working out satisfactorily. I quote from the statement of legislative proposals which the hon. member for York South referred to. In referring to fair practices legislation they say as follows:

Investigation and conciliation procedures have been promptly carried out on the various complaints filed with The Department of Labour. This has resulted in fair settlements being secured for the victims of discriminatory practices.

It is true that the brief goes on to favour a commission, but with no other basic reason perhaps than that they feel The Department of Labour is burdened, and I quote again:

. . . The Department of Labour burdened by a multitude of other duties is a great obstacle to effective administration . . .

Yet the very fact that they have been able to promptly deal with these complaints shows they have not been overburdened.

MR. MacDONALD: Does not the brief point to 5 cases in Dresden which have not been acted upon?

MR. YAREMKO: There is no reason that they are being overburdened.

MR. MacDONALD: If there are 5 cases that have been drawn to the attention of the department and have not been acted upon, they are overburdened.

MR. SPEAKER: Order.

MR. YAREMKO: The suggestion has been made, and they end up with:

Obviously, at least one full-time competent staff person should be available for these duties.

I know the hon. Minister of Labour (Mr. Daley) has assured us time and time again that Mr. Fine has all the staff needed for carrying out the provisions of these Acts, and if more were needed they would be made available at any time.

So, Mr. Speaker, I feel, personally, it has not been proved that at the present time there is need for a commission. I say to the hon. Minister of Labour he need not take the words of the hon. member for York South too much to

heart, nor too seriously. The people of the province of Ontario know it was the Party of which the hon. Minister of Labour is a member which introduced this legislation, and placed this legislation on the books. Let the people of the province of Ontario as a whole be those to whom the hon. Minister should turn, for their opinion, and not be influenced too much by the personal remarks of the hon. member for York South.

The hon. member for York South has referred to the hon. Minister of Labour as "an expert in smearing." Although I brought this up on a point of privilege last night, Mr. Speaker, there is an item reported in today's *Daily Star* in which the headline is: "Hoodwinked by Approval on Tolls, MacDonald." Then it goes on to refer to an incident which took place between the hon. member for York South and myself. The readers of the newspaper have no alternative, but to believe that it was the hon. member for Bellwoods, myself, who hoodwinked the hon. member for York South.

So I think the hon. member for York South would do much better if, in the future, before making statements of that kind, he considered them, and followed the very moderate manner which the hon. Prime Minister has pointed out to him is much the wiser course, because the hon. member for York South makes a statement, and it goes into the press, regardless of what his further action is and the "smear" has been made.

Whether I should be able to take credit for it, or whether it is something to be proud of, I will be known as "the man who hoodwinked the leader of the CCF Party."

So, Mr. Speaker, in concluding my remarks, I would like to say, this government has been a pioneer in Canada in fair-practices legislation. No need, in my opinion, has been proven for a change in the administrative setup, at the present time.

MR. ALLAN GROSSMAN (St. Andrew): Mr. Speaker, of course I do not take a back seat in rising to speak to any matter relating to discrimination.

A supporter of the government or otherwise, if I thought there was any need at the moment for, shall we say, immediate direct action of any kind, I would get up on my feet and urge it.

The matter of which we speak today is of too much importance to merely take it as a matter of course, and perhaps vote along Party lines merely because that is the thing to do.

I say without any hesitation, Mr. Speaker, this government has been doing a very fine job in this field. Conditions in this province, as has been mentioned before, are very good. May they continue to be as good as they are today.

Of course, Mr. Speaker, there is always room for improvement, and there will always be differences of opinion as to just how we can improve the matter of human relations, how we can improve our anti-discrimination laws if they are necessary, and just how we should go about doing that without infringing upon personal liberties of our citizens.

I have been in constant touch, since I became a member of this Legislature, with the hon. Prime Minister and the hon. Minister of Labour. I have found them to be quite sympathetic, indeed more than that, quite anxious to make sure that the anti-discrimination laws of this province do the job they were meant to do. I congratulate the hon. Prime Minister, the hon. Minister of Labour, and Mr. Louis Fine for the good job they have done in the matter of carrying out the spirit of the anti-discrimination laws.

Quite frankly, I came into this Legislature somewhat prejudiced against the hon. Minister of Labour with respect to his attitude towards the anti-discrimination laws, because I was subject for a long time to the same kind of propaganda pressure which I think the hon. member for York South is subject to now.

MR. MacDONALD: What kind of pressure is the hon. member subject to now?

MR. SPEAKER: Order.

MR. GROSSMAN: One hears talk of these things and builds up a picture of it. I became a member of this House, and was engaged in deliberations with the hon. Minister of Labour. In my associations with him, and during deputations which have come to see him, I have found him quite anxious to be of assistance, without any doubt at all.

Mr. Speaker, something was stated last night—I do not know how to say this. I do not wish to get into an acrimonious debate on this, because I do not think it should have been brought into the political arena at all, but something was said about a “breach of faith.” I think I can point out to the hon. members of this House an illustration of exactly what a “breach of faith” is.

Believe me, I do not suggest the hon. member for York South is insincere in bringing this resolution forward. I think he has been subjected to the same type of thing he has been subjected to, since he became a member of this Legislature, that he has been “jumping to the bait” when someone has offered him what they thought was “a hot tip”, without too much investigation. Let me illustrate this, Mr. Speaker.

MR. MacDONALD: It needs an illustration.

MR. GROSSMAN: There was a meeting of a group which is interested in this matter of fair practices legislation, a group representing a deputation which came here to see the hon. Prime Minister and the hon. Minister of Labour a few weeks ago. We were holding deliberations from time to time as to what representations should be made to the government. At the last meeting a representative of a certain group was invited, because that group showed an inclination to take part in the deliberations. Let me say the man is a member of the same Party as the hon. member for York South.

This was strictly a non-political group. There were members attending from all Parties, from the CCF, the Liberal and the Conservatives, and the discussions were held strictly on a non-political level. At the last meeting, when

this particular man was there, it was decided what form the brief would take. Almost immediately—two or three days later—there appeared on the Order paper this resolution, which proves that someone was giving information as to what kind of principles we were adopting for the brief to be presented.

MR. MacDONALD: That is completely circumstantial evidence.

MR. SPEAKER: Order.

MR. GROSSMAN: I am giving an opinion. I was not there when it may have happened. I do not know what happened, but it was common knowledge—

MR. MacDONALD: Why does the hon. member say it then?

MR. GROSSMAN: I say it is somewhat suspicious, and there is apparently an attempt to throw this into the political arena. My predecessor, representing St. Andrew riding, made it a practice to do just this. As a matter of fact, he was in the habit of doing it, knowing that, to a great extent, he was giving it the “kiss of death”, but he continued that practice for many years.

The political scheme was, of course, that by bringing it in year after year, if the government did nothing about it, he could call himself a hero, and say that he wanted it, but the government would not agree, and if, by any change, the government did accept it, he could say that it was because of his activities that it had been accepted by the government.

Even today, there are hundreds of people in my riding who still think, incorrectly, of course, that my predecessor was the one responsible for bringing this Bill to the House, and that he was the man, who, because of his so-called great ability and political influence, forced it through the House. I advise the hon. member for York South not to jump at the bait too often.

MR. MacDONALD: Stick to the issue; never mind me.

MR. SPEAKER: Order.

MR. GROSSMAN: My hon. friend should remember there is more weight to the hon. member's words when uttered in this House than was attached to them before he was elected. When the hon. member is in a "bull session" with the boys, or a group or society, he can get into all sorts of arguments, and express all kinds of opinions, which do not do much harm. But anything which is uttered in this House becomes important because the people read it, and seem to place more importance upon it. There are many things hon. members of this House might like to say, but when they think it over, they appreciate the fact there might be some harm done. I think the hon. member for York South will agree he made a serious mistake when he referred, for example, in this House the other day, to a "group of immigrants." Those things can be said in private—

MR. MacDONALD: You are saying it, not me.

MR. SPEAKER: Order.

MR. GROSSMAN: When a member of an elected body makes a remark, he should weigh his words, because they very often will do more harm than good.

I do not know if the hon. member wanted to do something in this respect, that is anti-discrimination, but if he did, why was he not present at that meeting? The hon. member for Bellwoods (Mr. Yaremko) was there, and others as well, and I am sure the hon. member for York South knew all about it, because represented at that meeting were such groups as the Association for Civil Liberties, the National Council of YWCAs, the Metropolitan YWCAs, the Baptist Convention of Ontario and Quebec, the Anglican Church, the American Federation of Labour, the AF of L, and the CCL Joint Committee, all considering the question of human rights.

As I say, Mr. Speaker, we thought we would have the opportunity of speaking with the hon. Prime Minister and the hon. Minister of Labour for about 15 minutes, but they discussed this

matter with us in great detail for almost an hour, and discussed various aspects of it to determine if there were any weaknesses in the Act itself.

With respect to a board or commission being set up, it was pointed out to us that the hon. Minister of Labour was very much concerned, and was so sympathetic to the problem that he sent a representative to the city of New York to find out just how a commission was working at that time. His report was that, in his opinion, there was not enough work for an independent board of commissioners in the province of Ontario. I am glad there is not, Mr. Speaker. In view of that opinion, what is the use of setting up a board, when an expert who was assigned to investigate the matter brought in the report that, in his opinion, there was not enough work for an independent board?

I was not altogether convinced myself that we should not have a board set up. But when we read the opinion which was presented to us by people who are responsible for administering the law, and who gave us incontrovertible evidence that there was no necessity for it, what is the use of further arguing the point?

I might say, Mr. Speaker, that certain members of the group, from time to time, did not agree with me, when I expressed the view that I was not convinced a board was not necessary. I respect their opinions, and I think they respect mine. My opinion now, is there is no need at the present time for a board, as I do not think it wise to endeavour to set up a board which might try to make a great deal of work for itself in order to prove that such a board is indispensable.

Mr. Louis Fine, as has been pointed out by the hon. member for Bellwoods, has been doing a wonderful job. He states his staff is quite adequate and able to process all complaints, and I think it would be somewhat of a reflection on him if, in spite of that, we set up another board which would, in effect, be saying we do not believe he is doing the best he can, and therefore we will set up the board.

With respect to some aspects of the resolution, which has to do with education, perhaps I can do no better than to quote from the first speech I made in this House. It is as follows:

The hon. Prime Minister and the hon. Minister of Labour gave us a very good hearing and discussed in detail many aspects of this legislation, and I might say that it was brought out at that meeting that the hon. Minister of Labour has done a very fine job in a quiet way in dealing with many cases, without recourse to headlines.

I think, rather, let us say I hope, that we convinced both the Prime Minister and the Minister of Labour that some progress could be made by way of setting up an educational programme to further the cause of anti-discrimination—or to put it in a more positive way—the cause of brotherhood.

With respect to that, I am looking to the government of this province for leadership in this direction. As a matter of fact, when this was raised in the office of the Prime Minister by this deputation, the hon. Prime Minister asked the group to prepare a brief, bringing in the suggestions for the setting up of a plan, and that is being done now, and I think we would all get along much better in our work if this were not thrown into the political arena at this time.

The hon. Prime Minister has said in the House if there are any changes required in this legislation, he will bring in whatever is required.

The hon. Attorney-General (Mr. Roberts) has already brought in an amendment to The Summary Convictions Act, which is a step in the right direction.

I cannot vote for the resolution, because of the implication against Mr. Fine, that he has not been doing a job because of the lack of staff. I do not think that is true at all, and in view of that, Mr. Speaker, I do not

think I can “go along” with it. As a matter of fact, before this session is over, unless I receive some indication from the government that it is convinced there should be some guidance regarding an education programme, I may bring in a resolution of my own.

MR. MacDONALD: Oh, let the hon. gentleman sit down.

MR. SPEAKER: Order.

MR. MacDONALD: May I ask the hon. Prime Minister a question?

MR. SPEAKER: Order.

MR. A. REAUME (Essex North): Mr. Speaker, the Act is a very good one. I do not think our work in Opposition is to be hunting around all the time to find ways and means to pull any Bill apart. I do not think this Bill should be pulled apart at all. The hon. member for York South can smile if he likes, it does not bother me a bit. I want to commend the government for doing, what I think, is a fine job, in relation to this Bill.

If the hon. member for York South, or any person, or group of persons, wishes to go around stirring up trouble here and there, that is their affair. The only thing about which I feel sorry is that we cannot put some teeth into the Bill, to enable us to prosecute the people who are going around stirring up trouble, and trying to influence others to cause trouble.

This Bill embraces people of all faiths, Protestants, Catholics and Jews, and I do not think the hon. member for York South has any personal mortgage on brotherly love, or human rights. I think we, in this House, are of the proper type, and we occupy seats in the House simply because our people back home sent us here. We are all 21 years of age or over, and we understand what these things are all about.

I would not want to create the idea that this Act is going to perform any outstanding service at the moment. It is a new Act. It is one which really has not had much of a chance as yet, and I

think we should give it a chance. When it was found to be weak in one respect — and I think this is to the credit of the government — in that it did not provide for an appeal, steps were immediately taken to change it, which, I repeat, is all to the credit of the government. Now we are making progress.

One of the hon. members now wants to appoint an outside board. This is a Bill in respect to human beings, and I do not think it could be in any better hands than those of a responsible Minister of the Crown who sits in this House, where we can question him at any time, and hold him responsible if this Act is not administered in a proper way.

May I say, Mr. Speaker, when I was the mayor of Windsor, I had many occasions to call upon the hon. Minister in cases of discrimination, and we must be fair in this regard, and I must say that every time I called upon him for help in these cases, he acted in a hurry. So I would not want this human-rights Bill to be placed in the hand of some outside board. I think it is in the proper hands right now, and I think that is where we should keep it.

HON. L. M. FROST (Prime Minister): Mr. Speaker, may I say the subject matter of this resolution, dealing with discrimination, is a matter which concerns all hon. members of this House. I will say to the hon. member for York South (Mr. MacDonald) that this concerns all hon. members who are in the House, and who have been in the House for many years, as it is the result of the most outstanding action of any jurisdiction in America. I think I can say that, for our province of Ontario.

In the history of our province, going back to the very earliest days, the matter of the equality and dignity of man has been something for which our great province has been noted. It would interest the hon. member for York South, and all hon. members of this House, to know that the first Act which was passed by the Parliament of Ontario, in 1792, was an Act abolishing slavery in

Ontario, or the province which was to be.

As is known, at that time, due to the slave conditions in the south, by a long process of events and customs, slaves were carried or taken by their owners to various parts of America. The Statute abolishing slavery in Ontario was about the first Act passed by this Parliament, of which we are the descendants. That was a public policy which has always been carried out, and has always been to the fore in this province, namely, the recognition of the equality and dignity of man.

I would not want the hon. member for York South to think that, in coming here from another province, and sitting here in this House, he is bringing to the great people of Ontario a new breath of freedom, because I can assure him this is one of the jurisdictions in the world in which such freedom was born.

I think it is rather gratuitous for anyone to say that the hon. Minister of Labour is not in sympathy with this legislation. I would point out, in the history of the great province in which we live, this government has played its part, with the unanimous consent and support of the House, in passing all the present anti-discrimination laws which are in our Statutes. The hon. Minister played a large part in the writing of them.

One of the very first Acts of this administration was in 1944, the presenting to this House of a Statute, in connection with discriminatory advertising. Following that, there was the enactment of the provision against the discriminatory provisions in collective-bargaining arrangements, passed not only with the unanimous support of this House, but at the instance of some of the great labour unions, and some of the great industries of this province.

MR. OLIVER: Collective bargaining was passed before the hon. Prime Minister came.

HON. MR. FROST: I am talking about discriminatory provisions, not the collective bargaining arrangements

themselves. I know the collective bargaining arrangement was passed in 1943. The enactment of discriminatory covenant and deeds in title documents, the law in connection with fair employment practices, the provision for equal rights for women, equal pay for women, the provision of placing women on juries, taking women from the situation where they were discriminated against, so they could take part in the administration of the laws of this province. Then came the Fair Employment Practices Act.

May I say to the hon. member for York South that he has an opportunity which is unique in the history of this province and in most jurisdictions and that is, sitting opposite and looking at a government which has enacted all of these Statutes.

It has been indicated by the hon. member for Bellwoods (Mr. Yaremko), and the hon. member for St. Andrew (Mr. Grossman), that we are interested in the improvement of these provisions, and I quite agree with that. I also agree with the hon. member for Essex North (Mr. Reaume) when he says these are new enactments. As a matter of fact, when they were prepared, it was hoped the punitive sections of the Statutes would not have to be invoked, but the intent of the Acts would be effected by the great spirit of the people of Ontario, which would make these punitive sections unnecessary. I think to a very large extent, that is so.

The hon. Minister of Labour points out that the difficulties we have had are confined to a very small area, and to a very few individuals.

MR. MacDONALD: Would the hon. Prime Minister permit a question?

HON. MR. FROST: Yes.

MR. MacDONALD: Does the hon. Prime Minister agree with the hon. Minister of Labour's remarks in the House this afternoon, that the trouble in Dresden was "Communist-inspired"?

HON. MR. FROST: Well, this is a free government, and everyone is entitled to an opinion, and if that is his opinion, it is not necessarily mine.

MR. MacDONALD: It is not necessarily the opinion of the hon. Prime Minister?

HON. MR. FROST: It may be the opinion of others. I do not think that is relevant.

MR. MacDONALD: It is very relevant.

MR. SPEAKER: Order.

HON. MR. FROST: We are anxious to strengthen and improve this law which is based on justice and good will towards men. We do not want the enforcement of these things to create ill will among people. As I have said before in this House, our old province has had great experience in that regard. We have no greater friends in the world than our brothers and sisters in the province of Quebec, with whom we have been partners for many generations, and we are partners and friends today, and I would say great friends indeed.

In connection with the resolution by the hon. member for York South, there are some points in his resolution in which I am interested. I am interested in anything which will better this situation. However, I will say I do not think the resolution is really steeped in an attempt to make things better, but is an attempt to attach stigma to the hon. Minister of Labour (Mr. Daley), and to others who have been the originators of this legislation here in the province of Ontario.

In connection with the visit to me of the committee, there were some very, very fine people whom the hon. member for St. Andrew referred to me, and they spoke of the commission or board being adequately staffed. I had the hon. Minister of Labour and the hon. Attorney-General (Mr. Roberts) with me, and Mr. Louis Fine, whom I think is an excellent conciliator and a citizen

of very, very broad approach in this province, one of the outstanding people not only in Canada, but in America, in the matter of handling delicate matters of this sort.

I said to Mr. Fine, "Louis, have you enough money, and have you enough men and women to do this job?" and he assured me he had.

Now, if we were creating a commission which would do practically the same work as this conciliation organization of ours, whom would you choose as the chairman? You could not get a better man in Canada than Louis Fine to do the job.

MR. MacDONALD: What about the educational aspect of it?

HON. MR. FROST: I am very much interested in the educational aspect. Education is not only confined to government, but it is extended to the people. Consider, for instance, Brotherhood Week, which is always referred to in this House. The hon. member for Essex North has referred to it on occasion, and I have also — Brotherhood Week, during which there are exchanges of churchmen in the pulpits of this province. One of the prominent citizens from this city spoke in the pulpit of the church to which I belong in Lindsay.

Education comes from many things, and we are anxious to promote education in the soundest and best way we can. That matter was referred to, and discussed with the committee, and I have looked at some of the educational matter put out by The Department of Labour at Ottawa, and I think it is indeed very good, and I have referred that to our Department of Labour for study. I am looking at all these things; they all have merit, and we study these things, and do everything possible to promote education, and a sense of duty and responsibility among our people.

There are many parts of Ontario in which discrimination is something which is not known at all, by young children of different colours, or different religions in our schools, and there is absolutely no difference between them. I think it is a

great pity, in such cases as that, to create the sense of feeling among the children that there may be something different. I think it is better that we should adopt the sentiment that origin of nationality, and the religious background of people, are private and personal things, and have nothing to do with our relationships with another human being.

These things I am interested in, and the government is interested in them. We proceeded, as has been said here in the House, when it became evident that it would require a further appeal in these cases, to insert a provision in the Act which had been passed by the Legislature.

I think it would be a very great pity in this House this afternoon if we felt, in Ontario, there was a division on this point. I think it is evident from what has been said here this afternoon that we are generally on common ground, our objectives are the same, and I would move what I think is a reasoned amendment, and which I think is more in keeping with the temper and the feeling of this House, and which, I hope, will unite the hon. members of this House in a great objective, which has been the objective of our people in the province of Ontario since the days of the first Legislature in 1792.

Hon. Mr. Frost moved, seconded by Mr. Porter;

THAT all the words after "That" in the first line of the said resolution be struck out and the following substituted therefor:

"This House reaffirm the principle of equal rights which is the basic fact of the fair practices legislation of Ontario and which expresses the wishes and desires of our people that our province shall be free from discrimination on the grounds of race, colour or creed, and expresses its satisfaction of the manner in which our people are working together in the achievement of this great principle.

"The House commends Mr. Louis Fine, the chief conciliator, and his fine staff for the promptness with which they

have carried out investigations and conciliation procedures under this legislation.

"The House endorses the announced policy of the government as evidenced by its action to do everything that experience indicates as necessary to strengthen both the legislation and the administration thereof, and further to keep under review and strengthen the efforts of both government and citizens in the progress being made in many spheres and programmes of education to further the great principle of the equality and the dignity of man."

MR. D. MACDONALD (York South): Mr. Speaker, on the amendment I just want to say that this is for the most part a statement of broad principles, which obviously we are in support of, to the extent that it gives some indication of the fact that the government is giving thought to it, and presumably we can hope, in the fullness of time, it will act on an educational programme. We are in the position that opposition is always in, of taking, if not half a loaf, a quarter of a loaf, but the government is moving in the right direction.

Therefore, I am glad to say that we will support the amendment.

Resolution, as amended, agreed to.

NOTICE OF MOTION

Mr. R. Gisborn moves:

"THAT in the opinion of this House all documents, stationary, and other similar material ordered to be printed by or on behalf of the government of Ontario, or any of its departments, branches or agencies should bear a registered union label."

He said: Mr. Speaker, I might say first that resolution No. 2 will not take as long as did resolution No. 1, which was just dealt with. It is not as important. It is simple, and can be adopted in 3 or 4 minutes.

I think, Mr. Speaker, in presenting this resolution, we are giving the government the opportunity to give some encouragement to the union movement

in Ontario. I am sure the Allied Printers and Pressmen's Association or union is one of the best organized in our province, and I assume too, that a very high percentage of the material purchased by this government, both printed and as mentioned, is purchased from a union shop. It therefore, would be very simple, and would represent little extra cost, to request the union label.

I should like to say that the members of the Allied Printers and Pressmen's Association are very proud of their profession, just as much as the medical profession or the legal profession, and many other organizations in our country, and their simple desire is to have the stamp of approval upon their product.

HON. MR. FROST: Mr. Speaker, in relation to this resolution, may I say to the hon. member for Wentworth East that I appreciate the fact that the members of the union he mentions are proud of the work they do, and proud of the place their organization is taking in the industrial life of this province. With that, I concur and I can quite understand the hon. member's point of view in that regard.

However, may I point out that this is a very large province, and we have in Ontario many and varied conditions. We have not only the fine shops here in the larger centres, such as Hamilton—and I put Hamilton first—Hamilton, Toronto, and other places, on the other hand we have many millions of people living outside of these fine cities, of which we are very proud in Ontario, and we have in those areas many and varied conditions.

May I point out to the hon. member that one of the very valuable assets we have in Ontario is one which sometimes does not receive due recognition and appreciation, that is the weekly press, or the provincial shop. All those communities, large and small, in Ontario, have their weekly newspapers, with job printing establishments and places where work is done, and I may frankly say that it has been our effort, and I think that of other governments which have

gone before, to give a fair share of business to the provincial shops, and the provincial papers.

I am sure the hon. member will realize that his resolution, at the stroke of a pen, rules out all of those shops in the province, and would deal a very heavy blow, indeed, to the weekly press of Ontario, which give good service to our people.

MR. H. C. NIXON (Brant): They could not even print voters' lists for the election.

MR. MacDONALD: That would be sad.

HON. MR. FROST: That is right, Mr. Speaker. Sometimes when elections are called, it is necessary to get the voters' lists printed rapidly, and certainly one could not send them here.

MR. NIXON: We are very thankful to have the small shops.

HON. MR. FROST: I certainly agree we are glad to have them. I am only pointing out to the hon. member for Wentworth East that by now he must know we spend a certain amount of time trying to keep him and his Party from "going off the deep end." We are always throwing a life preserver to them, and this is another occasion on which we are glad to do it.

In government printing, it should be the object of this and any other government to arrange a fair distribution between the large urban and the more rural areas of Ontario, to give them all an equal opportunity, without regard to Party. In my own riding, may I inform the hon. member for Brant (Mr. Nixon), the voters' lists are given to the various plants and newspapers, without regard to political affiliation or the views they express.

MR. NIXON: That is true also in Brant.

HON. MR. FROST: That was true in Brant, I have no doubt, when the hon. member was in power.

In view of that, I know the hon. members opposite will agree that the reasoning is thoroughly sound and good. I think the hon. member's resolution was probably written in a hurry, without too much thought.

Mr. Frost moved, seconded by Mr. Porter,

THAT all the words after "That" in the first line of the Resolution be struck out and the following substituted therefor:

"In the opinion of this House there should be a fair distribution of government printing throughout the printing plants of both urban and rural Ontario having regard, in particular, to the fine services rendered by the weekly press."

MR. GISBORN: Mr. Speaker, if it is in order to ask a question before we vote on the amendment moved by the hon. Prime Minister, may I ask, could we give consideration to requesting that the union label be put on the material we now purchase from union shops?

HON. MR. FROST: I think that is the case. I think in the cities, particularly here in Toronto, the printing which is done is all done by union houses. The point is, by this resolution, if it were carried and became the policy of the Legislature, would mean that we would rule out many, many fine plants.

MR. R. WHICHER (Bruce): Mr. Speaker, if I may address the House for a moment, I find myself in the very embarrassing position of having again to agree with the hon. Prime Minister. I hope we can find something we can disagree with, and I hope it is not too far away. However, I wish to say that in my riding, there are 8 weekly papers, none of them are union, and none of them want a union either, they are very, very happy in the way in which they are carrying on. Some of them have only 5 or 6 employees, if that many.

I agree with the hon. Prime Minister that if the motion in connection with the resolution of the hon. member for

Wentworth East (Mr. Gisborn) was carried, we could not get anything done in these small weekly papers. There is not a daily in my whole riding, so I am sure the CCF members would not want to cut everything off from Bruce. And I wish, too, that the hon. Prime Minister could endeavour to give some of that "political patronage" to those 8 papers in Bruce.

HON. MR. FROST: Let the hon. member for Bruce come around and see me.

MR. MacDONALD: Mr. Speaker, I do not want to dispute your decision in accepting this amendment, but I just

want to draw your attention to the fact that in all my experience with rules, an amendment has to have at least some relationship to the original point, namely in this case the union label. The amendment moved by the hon. Prime Minister bears no relationship at all. It is a substitute resolution.

We will support the substitute resolution, because it has nothing to do with the original point we raised.

HON. MR. DUNBAR: The hon. member will learn.

Resolution, as amended, agreed to.

It being 6 of the clock, the House took recess.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Thursday, March 22, 1956

Evening Session

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

THURSDAY, MARCH 22, 1956

8.00 o'clock, P.M.

The House resumed.

The House, upon Order, resolved itself into the Committee of Supply.

ESTIMATES, DEPARTMENT OF PUBLIC WELFARE

HON. L. P. CECILE (Minister of Public Welfare): Mr. Chairman, before submitting the Estimates, I would like to comment on a few features which might be of interest to hon. members of this House. It is estimated that some \$39 million will be spent by my department during the next financial year to cover all activities. This amount includes over \$32 million from provincial taxing sources.

The number of persons requiring aid through public assistance seems to have been relatively consistent during the past few years. I believe this is due to the exceptional prosperity we are enjoying in this province. For example, as of March 31 a year ago, 81,576 persons qualified for old age assistance, blind allowances, disabled persons' allowances, mothers' allowances and direct relief. For the same date this year it would appear that we shall be assisting some 82,209 persons.

It is fortunate that we can stimulate productivity within our province, and at the same time meet extensive payments for human betterment. It is notable that the costs for the direct service programmes I have just mentioned are being maintained at a fairly consistent level. In addition, of course, we are

making heavy capital expenditures to provide suitable homes under The Homes for the Aged and The Charitable Institutions Acts. Along with such capital expenditures maintenance costs in these homes are being expanded each month as new accommodation becomes available.

It will be of interest to hon. members of this House to note that the people accepted for care in a Home for the Aged indeed spin out their life span to an incredible number of years in some cases. We have all heard of various prescriptions for living to a ripe old age, and probably have our own pet theories on this subject; but one man recently gave this advice.

He maintained that a man should work 17 hours a day, should eat 4 meals a day, never relax, worry a lot, and get into plenty of verbal battles. As a final admonition, he stated that a person should work for 50 years without taking a day off for a vacation.

My only observation on this prescription would be that many of us in this fast-moving world would seem to be assured of living to advanced ages if we proceed at our present pace. Perhaps I should add that the man who offered these words of wisdom was 87 years of age and was still leading a very active life.

The development of homes for the aged in Ontario is proving to be most worthwhile for the large number of people who require this form of care. There has been a total transformation in the approach to providing a full range of services, in most pleasant surround-

ings, to the residents of our public homes and charitable institutions. I have had occasion to visit several of these fine homes and am satisfied that, although the programme is a costly one, our investment is paying rich dividends in the betterment of the lives of our aged citizens.

May I also note that the concurrent programme we have developed to provide for the care of many elderly persons in the community—that is, in private dwellings—will prove to be increasingly beneficial as it gains momentum. In certain situations, care in the community would be preferable and, at the same time, this arrangement makes it possible for admission to the home for the aged when the occasion arises.

The Elderly Persons' Housing Aid Act, which is not too costly for the province, is giving encouragement to municipalities and private organizations in sponsoring self-contained housing units for elderly people. We are pleased, indeed, with the approach being taken by the Central Mortgage and Housing Corporation in their recognition of the special problems of providing suitable housing accommodation for our older citizens.

This province requires all the varied welfare programmes we are now supporting. My department is a service department. It is one that must recognize the person who cannot maintain himself through the normal channels of gainful employment. I can assure hon. members of this House that, without exception and within the framework of the legislation, each case is given every possible attention and benefit of doubt. We are more than anxious to relieve distress wherever it may exist. We are always hopeful that the funds we grant will serve to ease some of the problems of our people. We are striving to expand our efforts and to adopt every measure which may help our cases to resume an independent status.

I would like at this time, Mr. Chairman, to review, during the period of our greatest development in this province, the services now available under the authority of this Legislature. The funds

we use come from 3 sources: the federal government, the municipalities, and the province.

To illustrate the load borne by each of these governmental sources, may I take my own riding as an example. I have 2 towns, 3 villages and 8 townships in my riding. The population is 32,539. During the year there was a total expenditure of \$430,000 for welfare purposes. This represents a per capita population cost of \$13.19 for the year.

May I now draw your attention to the striking feature related to these welfare services and expenditures. Out of every \$100 spent on welfare in my area, the municipalities contributed \$14; the federal government \$20; but the province — this government — provided \$66, or two-thirds of all the welfare expenditures from our own revenue sources.

For some time, it has been brought frequently to my attention that the maximum rate of allowance set at \$40 per month by the government of Canada is simply not meeting the needs of many of our recipients. I refer, of course, to those persons who are eligible for the various forms of public assistance sponsored by the federal government, namely old age assistance, blind persons' allowances, and disabled persons' allowances. Under these programmes the government of Canada will only share in the costs of allowances granted, and does not participate in the costs of the medical services made available to all our recipients under an agreement between the province and the Ontario Medical Association.

At the present time, in addition to administrative expenditures, the province is paying \$21.05 per month on behalf of each person who qualifies at the maximum rate for old age assistance or disabled persons' allowances, while the federal government pays \$20. Provision is made through municipalities for additional assistance; and the province, in order to relieve the municipalities, has been sharing in these expenditures, now up to a maximum of \$20 per

month on the basis of 60 per cent. provincial and 40 per cent. municipal.

Mr. Chairman, may I make it very clear for all hon. members of this Legislature that these programmes are not one-sided. They were introduced and are sponsored by the government of Canada, and were supposed to be on a share-and-share alike basis. There has been no doubt throughout the years that this was implied in bringing federal-provincial programmes into being. To suggest that we should operate two concurrent programmes — a provincial, as well as a federal-provincial scheme — to deal with the same group of persons, cannot be regarded as being sound from an administrative or fiscal point of view.

And, more important, it would not be possible under such an arrangement to ensure equal treatment for all cases.

I simply cannot understand the attitude of the federal government in consistently refusing to share equally with the province any increase in the present established rates of allowances in the federal-provincial programmes. Surely, the government of Canada must be aware of the criticism continually being expressed with reference to the confining nature of their programmes. They must surely know that the artificial figure of \$40, which they have set as their standard, can only be regarded as an overall average when related to the meeting of needs.

I should add that, personally, I am in favour of having these allowances increased for the neediest of our cases, and I am sure that every hon. member of this House would be sympathetic with that point of view. But I cannot agree that we should proceed alone on this matter. There is complete justification for insisting on federal participation in increasing these allowances.

Accordingly, in this connection, I have written to the federal Minister of National Health and Welfare, and have submitted a proposal to him embodying the following principles:

(1) That the maximum allowances should be increased for old age assist-

ance, blind persons' allowances and disabled persons' allowances;

(2) That, in these programmes, it should be agreed that the costs of any increases will be shared equally between our two governments;

(3) That the province of Ontario should submit a plan for approval whereby considerable administrative latitude would be left to the provinces; and

(4) That the provincial plan would replace the present method of rendering aid by means of a flat allowance, with a scheme to give recognition to the individual needs of cases through a modified budgetary approach.

I am hopeful that the federal Minister will find his government big enough to give favourable consideration to this proposal, which would serve to meet the needs of our people in a more realistic manner.

With reference to the group of persons coming under old age security, I can only say that this is a programme administered solely by the government of Canada. The province of Ontario, however, does meet the cost of medical services for some 85,000 persons receiving old age security. To finance the operation of old age security, the federal government levies taxes upon the whole population. Each one of us makes funds available to the government of Canada through income, sales and corporation taxes—2 per cent. being applied in each category. I do not think it is necessary for me to comment beyond that point.

I am sure you realize, Mr. Chairman, that mothers' allowances benefits are made available through my department solely on the basis of provincial legislation. It is apparent that a broadening process has been accomplished each year. Our efforts are directed towards providing for families—particularly mothers and children—who, for various reasons, must look to the public for support. We realize that these cases are frequently long-term and, consequently, we have felt that it is important to remove them from municipal welfare rolls in view of the heavy costs involved.

We have several groups of cases coming under the provisions of our mothers' allowances programme, the largest being the widowed mother with children under 18 years of age in her care. Then there is the mother with an unemployable husband. In some of these cases, the husband may also be receiving a disabled person's allowance. The deserted mother with children comprises another group qualifying for this form of assistance, and, I might add, this problem of desertion causes us considerable concern.

We also have a foster-mother clause in the Act which permits us to provide for a child who must be cared for by a relative. I am hoping that this phase of the programme will expand during the next year so that some of the children at present in the care of children's aid societies may be transferred to our caseload. This would mean that a child could have the advantage of living with an aunt, uncle, grandparent or other relative, with the funds for his care and maintenance being provided entirely by the provincial government. In viewing the total effect of our mothers' allowances programme, I have much satisfaction in noting the splendid results achieved particularly for the children in keeping homes and families together.

In comparing the amounts of allowances for mothers and children coming under mothers' allowances legislation in other provinces, I find that Ontario has established the highest rates. It is also evident that the qualifications for applicants in this province are more liberalized than in the others. The amendments to our Act this year will introduce an entirely new group for these welfare services. It is also interesting to note that fewer cases require mothers' allowances assistance in Ontario on a per capita of population basis than in other provinces. This again points to the effect of Ontario's extraordinary economic level which is serving to lessen the needs of our people for public assistance.

During the past year, the new Child Welfare Act became effective—that is, on January 1, 1955—and we have been in the process of observing its effects.

I understand that the new features in the Act have proved to be most acceptable. As you know, the principal changes related to:

- (1) A reduction in the period of temporary wardship to 24 months;
- (2) establishing the termination of wardship at 18, instead of 21 years of age;
- (3) the prosecution of parents who leave, unattended, children 10 years of age and under;
- (4) the granting of provincial funds to societies in northern Ontario for protection services; and
- (5) establishing a severe penalty for any person who accepts or gives any reward in the process of adopting a child.

This province is not only experiencing growing pains industrially, economically and in developments to support our population, but also in our greatest potential resource, the children of this province. The unprecedented growth in child population is not only a factor with which the educational authorities must contend, but most certainly is one having an important bearing upon our welfare services.

Inevitably, a certain proportion of the child population need the services of our various children's organizations. There has been a phenomenal increase in the cost of child welfare since the financial year 1943-44. In that year, the province of Ontario expended some \$200,000 for services related to children. In 1954-55 we multiplied that expenditure 10-fold to a total cost of \$2,240,000; and the end to increasing costs is not in sight.

We must direct every effort towards eliminating the causes of dependence and child neglect which lead to removal of children from their parental homes for care elsewhere. We must continually strive to develop wholesome family life, and a healthy society in which our children may have every opportunity to reach emotional as well as physical maturity.

As you know, this government has expressed interest in and concern for

our Indian population. We are all aware of the complexities of our modern civilization and their effect upon the Indian way of life. I need not elaborate on the handicaps with which Indians must contend.

I would say, however, that we are adopting advanced measures and making every effort, wherever possible, to raise the standard of living, especially for needy Indians and their families. In the same manner as in the cases of other citizens of Ontario, we are sharing with the federal government the costs of granting old age assistance, blind allowances and disabled persons' allowances to Indian people. Mothers' allowances benefits are made available to Indian families solely out of funds from provincial sources.

I have been particularly pleased with the excellent co-operation I have received from the federal Minister of Citizenship and Immigration in the inauguration of a plan to provide child welfare services to Indian children. We have reached an agreement whereby children's aid societies may give the necessary services with the costs to be met by the Indian affairs branch. I am expecting a vast improvement in the care of Indian children, and I do wish to express my thanks to the various societies for their willingness to accept this responsibility.

We are continuing our studies of other possible areas where we might render welfare services on behalf of Indians. In this connection, we are relying on a committee comprised of native born Indians who are devoting time and energy and giving constructive thought to possible measures which will lead to the betterment of our Indian population.

At the present time, some 7,500 persons are receiving disabled persons' allowances in Ontario. These cases have been acquired during the past 3½ years. This measure was introduced by this government to give special recognition to the totally and permanently disabled. It is now a federal-provincial scheme.

I believe most of you realize that this is a most difficult form of assistance to administer. The main qualifications, in

all cases, relate to the degree of physical or mental disability of the applicant. I think you would understand that, with a very large number of cases to assess, and with sometimes meagre information provided, we have found that some persons have been rejected on first application who should have been granted allowances.

When additional clarifying evidence has been presented, these situations have been rectified. We are always most anxious to have such cases brought to our attention. I would suggest that, on the whole, the disabled persons' allowances branch has done an exceptionally fine job in administering the legislative requirements pertaining to the granting of allowances to these cases.

As you are aware, medical evidence is reviewed by a medical advisory board under the chairmanship of our Dr. W. A. Reddick who, for many years, has assessed the medical qualifications of unemployable husbands whose wives and families apply for mothers' allowances benefits. It was natural that this same doctor should have been appointed to also assume responsibility for the certifying of cases applying under the disabled persons' allowances programme.

I was told the other day that the Ontario Medical Association has not received a complaint from any of its 5,000 members criticizing the work of our medical advisory board. I think this reflects great credit upon a very fine and loyal member of our staff. Apart from the reviews which are constantly being made of cases, Dr. Reddick and his board have examined medical evidence submitted in connection with some 17,000 applications from disabled persons. This is in addition to the cases reviewed for the mothers' allowances branch. This medical assessment of cases is a most complex operation, and I did wish to give the doctor due credit for the excellent judgment he has shown in his work.

The demands upon the disabled persons' allowances branch have, indeed, been heavy. I appreciate the many problems with which the director must contend, and I am most grateful for his

patience and his approach in dealing with the cases coming under his jurisdiction.

May I also, at this point, pay tribute to all the senior members of my department. I have found that I have a most co-operative staff and I am satisfied that they are well qualified to carry out the responsibilities given to them. I am proud to say that I have never been accused of having an arbitrary staff.

Mr. Chairman, the hon. members of this House know our great interest in all efforts which will provide equal opportunities for the less able-bodied person to earn his living by gainful occupation. I have, on several occasions, expressed my pleasure in the service being given throughout the province to handicapped persons. As you are aware, this Legislature, at the last session, passed an Act entitled The Rehabilitation Services Act, 1955. This is another one of the federal-provincial plans, sponsored by the government of Canada, but with limited assistance being made available from that source. The regulations have now been approved, and funds will be made available for the vocational training of handicapped persons, together with maintenance allowances while training is in progress.

We are looking for and will need the co-operation of private organizations engaged in rehabilitation work, municipalities, the medical profession, and all other groups and persons concerned with the rehabilitation of the handicapped. Only in this way can we hope to make the best possible use of all the existing and available facilities in this province. Our programme has been designed and will be directed towards assisting individual handicapped persons to take their place in the community through training and placement in employment.

We have, for some years, quietly assisted a very large number of persons towards their ultimate rehabilitation. The new programme will give greater emphasis and stimulation to this work, so that many more handicapped persons may benefit from the services being

made available. This civilian handicapped rehabilitation programme is being administered through the office of the director of disabled persons' allowances. In this way, certain cases who may not be eligible for disability allowances will come to his attention; and, if suitable for rehabilitation training, all necessary steps towards that end will be taken on their behalf.

Until such time as the government of Canada enlarges its rehabilitation scope to include the physical treatment of cases—medical services and hospitalization for individual persons—we must leave this phase of the programme to the local authorities. We are, however, prepared to relieve the municipalities of the costs of training and maintenance for those persons whose doctors may recommend training courses; and, of course, we shall be continually involved in the process of placement following training.

In addition to the specialized, major, province-wide organizations such as the Canadian Paraplegic Association, the Canadian National Institute for the Blind, the Canadian Arthritis and Rheumatism Society, the Ontario Society for Crippled Children, and others, some newly formed groups are now beginning to function in this important area of work at the local level.

I should like to mention, particularly, the Institute of Physical Medicine and Rehabilitation formed in Windsor. This institute is prepared to give outstanding service to handicapped persons in the County of Essex. The board of directors is very well-knit with representatives from medicine, industry, service clubs and private organizations, all of whom are concerned in some phase of rehabilitation. Three major committees have been established by the board, namely, medical, vocational and social.

The institute, as a whole, represents some 28 organizations in that area. Their efforts are not only being directed towards the rehabilitation of the younger handicapped person, but they are also obtaining fine results in the treatment of the aged and chronically ill. I am anti-

cipating that similar groups will be established at the local level in other areas.

In these buoyant times, the department has encountered some problems in recruiting staff. These problems, of course, are common to both industry and governmental service. Nevertheless, we have been able to engage a number of very fine new employees, especially for the field staff. I have been particularly pleased with the calibre of the new staff members—both men and women—and with their intelligent, out-going approach in giving service to our cases.

We expect from our employees their best in service to the public. They should be dedicated to provide both quality and loyalty of service. They must fulfil their duties faithfully, courteously and with initiative.

Because we are giving considerable care and attention to the selection of staff, we find that when vacancies occur in more senior positions, we usually are able to recruit a most suitable and qualified person from the ranks for possible promotion. Such a person has acquired the necessary experience and the knowledge of departmental operations, and has largely received his training on the job.

We are giving improved supervision, particularly to workers in the field. We are accepting greater responsibility in helping new additions to the staff to use the necessary administrative techniques with insight into the patterns of human behaviour.

I can state with assurance that the various members of our staff endeavour at all times to take a positive approach in the process of helping people, and to give equality of service. I should add that our field workers are largely recruited from the teaching and nursing professions, and, of course, from the business world. Some of our senior officials have come from backgrounds in social work, sociology, psychology, business and industry. I believe this diversity of backgrounds lends itself favourably to the field of public welfare.

In touching on this whole subject, I wish to take this opportunity of discus-

sing the questions on the Order Paper as submitted by the hon. Member for York South (Mr. MacDonald). It is true that, for the past year or so, we have developed qualifying examinations for persons who apply for field work positions with our department. The examination is lengthy and carefully designed to indicate whether or not the candidate has potential abilities for this kind of work. While these qualifying examinations might be termed competitions, they primarily serve as a screening process. These tests are conducted by our personnel officer; and the executive officer, a graduate of the University of Toronto, School of Social Work, marks the papers.

Persons who apply for positions on our field staff reach the department from a number of sources. Most of them make application directly, because they wish to obtain employment with our department. Some of our best employees have been referred to us by the civil service commission; while other prospects are sponsored by hon. members of the Legislature. I should add that we are not committed to accepting any applicants or referrals for employment, but judge them solely on their abilities (as indicated through the qualifying examination), their experience, and their suitability for the area in which an opening may be available.

When the candidate has passed the qualifying examination, he or she is accepted as a potential employee, and must then spend several weeks in a course of training designed for the purposes of orientation and induction. If it is then found that the person is not likely to measure up to the necessary requirements for service in the field, employment is terminated.

I suppose that the measures we are undertaking in this connection, at present, might be considered as experimental in character. I am certain, however, that we are acquiring some very capable employees who are proving to be a credit to the civil service of this province.

The youth of today has greater opportunities before him than has probably

been evident in any other period in the history of this country. He has a wide choice of occupations and, if willing, can prepare himself for a most useful and satisfying career.

You will observe in the estimates for the Main Office, two substantial votes to encourage the education of persons who wish to make social work their occupation in life. The School of Social Work of the University of Toronto, and the School of Social Welfare of St. Patrick's College, are outstanding schools for training in this field.

In Canada, there has been a decline in the number of young people entering schools of social work. Only a limited number of graduates are available to fill the vacancies existing in the many private organizations and governmental services. While we are engaging additional available persons in the department, it has been considered that children's aid societies should have the preference for graduates because of the highly skilled techniques required of workers in the field of child welfare. I should add that children's aid societies are also in short supply as far as staff is concerned.

The great demand for social workers and the short supply in common throughout the world. All schools of social work, and authorities engaged in this field, are expressing grave anxiety in the declining number of graduates. If we are to meet our own requirements for staff, it is evident that we are going to have to embark on a full-scale, lengthy training programme within the department; and we are proceeding with our plans in this connection with the blessing of the recognized schools of social work. We are fairly certain of acquiring young men and women at the university level who are prepared to join the department on a continuing basis in the departmental training programme. The whole matter is receiving the careful study of our officials.

There is no shortage of talent. Our efforts will be directed towards making the best possible use of available personnel who wish to receive training in

public welfare and to continue their life's work in this field. The curriculum to be designed for our training programme will recognize and serve to augment previous training and experience through formal instruction.

In our development programme we are conscious of the fine relationship we have with a number of authorities in this field outside the government service. Through the co-operation of the Ontario Welfare Council, Miss Bessie Touzel, executive director, is available to us for purposes of consultation. I appreciate the time she gives in discussion with our officials on all matters related to public welfare.

The director of the school of Social Welfare of St. Patrick's College in Ottawa, the Reverend Father Swithun Bowers, is also giving us much helpful advice. I am indeed pleased to learn of the expansion in the number of students attending his school. They are taking their place in child care organizations, in particular. The School of Social Work of the University of Toronto has an international reputation. It is a reservoir for students throughout Canada, as well as from other countries.

There are many voluntary welfare organizations in Ontario. They have a very vital function to fulfil in our society, and it is certain that, without their services, this province would be much poorer. I have indicated, at times, our efforts to bolster these essential voluntary organizations.

In the area of non-governmental activities, may I again record my pleasure in the accomplishments of the Atkinson Charitable Foundation, which has contributed so much to the health, welfare, educational and cultural life of this province.

In the operations of this foundation, an expenditure of over \$4 million has been authorized to cover a great variety of services which would have been most difficult to provide through governmental auspices and direction. An amazing diversity of projects has been undertaken and is still continuing. I do not believe it would have been possible for any govern-

ment to exceed the ultimate good accomplished through these efforts.

In reviewing the report of the activities of the foundation, I find that bursaries granted to students in the various universities in Ontario have assumed a large and important place. Some 1,500 students have benefited from the aid of the Atkinson Foundation. Much support has been given on a wide but selective basis to hospitals throughout the province. Medical research has received the careful attention of the board of trustees. The grant of \$250,000 to assist the victims of Hurricane Hazel sparked this whole fund-raising project. For many welfare services the grants have been varied and sound in selection. I was particularly pleased in noting the grant made to the Boy Scouts Association. This youth group is one of the foremost in the world today and is associated, in most instances, with the work of our churches.

The Atkinson Foundation has not restricted its grants to just Toronto and district, but has treated all parts of the province in a favourable manner. If the late Joseph Atkinson were alive today, and could observe the way in which his wishes are being met, I am sure he would say that the board of trustees is obtaining full and widespread value for the funds expended. I believe, also, he would agree that wise perception has been used in the selection of projects.

Mr. Atkinson passed away at the age of 82 years. It is evident that he retained great wisdom and was fully aware of the accomplishments which would be achieved through the funds he made available for the benefit of his fellow Ontario citizens. I would particularly like all hon. members of this Legislature to study and review the widespread advantages this province obtains through the work of the Atkinson Foundation.

During the period I have served in this House, I have come to the conclusion that, in essence, all hon. members are family men. It is true that some have neglected to take on the responsibility of a wife and children. But most hon. mem-

bers have individual responsibilities related to families, quite apart and beyond the services they render to the public.

I am convinced, beyond any doubt, that the family unit is the best foundation for the development of a strong, well-knit and wholesome society. We must encourage the family in every respect, especially for the sake of our children.

Most of us will agree that, as hon. members of this House, we owe a great deal to our wives. I am certain that they are as vitally interested in the measures we consider as the government itself. But I can imagine that many women feel like the wife of a former hon. member of this House. After an election, he prepared an advertisement for the local newspaper (which, by the way, did not actually appear); but it read:

I wish to thank all those who voted for me; and my wife wishes to thank all those who didn't.

Wives and families, of course, have a tremendously stabilizing effect upon our way of life.

I am satisfied that the phenomenal development of the province will continue. On the whole, our population is enjoying a good standard of living, certainly equal to any elsewhere. Despite many world disturbances there seems to be a will "to live and let live." We have had a year of easier peace, and our people are not inclined to become involved with the various "isms." We have generally been able to develop and work out our own solutions to the problems we have faced.

Hon. members of this Legislature, and certainly, not the least, the members of this government, are all interested in the well-being of our people. We are, of course, interested in the public at large, but have particular concern for those who must rely on public welfare for their support and maintenance. We have all had a diversity of perplexing situations presented to us by individuals, and, in some instances, their cases have almost defied solution.

But we also are aware of the fact that there is a very large appreciative group of persons receiving benefits, and this is what makes all our work seem so worthwhile. All hon. members know persons who have qualified for assistance under one or other of our public welfare programmes. They, too, appreciate the assurance received, at first hand, that the problems of their cases have been eased to some extent. I am sure we are anxious to do all possible to lessen the problems of our people, and we shall continue, as a department, to dedicate ourselves to this task.

A very large number of persons look to the staff of The Department of Public Welfare for services. I personally am aware of the fact that many elderly people, disabled and handicapped persons, mothers and families, regard members of our field staff as personal advisors and friends. I believe our field staff accomplishes a great deal in giving recognition to the special needs of many of our cases.

I am also greatly indebted to the senior members of my department for the conscientious efforts they make on behalf of our people. I believe all hon. members of this Legislature are aware of the invaluable services they are giving. I have been particularly impressed by the *esprit de corps* and the fine morale which seems to be evident throughout the department. May I take this opportunity of expressing my sincere thanks to all who have had a share in the work of my department.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Chairman, the detailed questioning in relation to the Estimates of the Department of Public Welfare will come, of course, as each estimate is called, but I want to make some remarks on a particular chapter of the hon. Minister's speech. That chapter was in relation to a criticism of the federal government for failing to live up to what the hon. Minister felt was its proper obligations in regard to pensions payable to people in this province.

Sometimes I wonder what hon. members opposite would have for argument, if it were not for the opportunity which they grasp every time a debate comes up in the House, to criticize the federal administration for something or other. The hon. Minister indulged tonight in a rather severe criticism of the federal government, and I cannot help but be annoyed at some of the things he said.

I think we should recall, Mr. Chairman, in order to get the proper focus with respect to these matters, that the federal government has not been niggardly in their approach to welfare problems across Canada, and as they affect people in the Province of Ontario. The federal government pays all the basic pension, for those over 70 years of age, they pay half the pension for those who are eligible for a disability pension, and they pay half the pension of those who receive old age assistance.

I suggest to the House that is a mighty contribution from the federal government to the provincial government and the people in the Province of Ontario. The hon. Minister seems to disregard these great payments on the part of the federal government, and he ever seeks to draw attention to what he feels are still shortcomings on the part of the federal administration.

The trouble with the hon. Minister and all the hon. members on the government side is that, no matter what the federal government might do towards helping this province, it still would not satisfy them, and there would still be howls to high Heaven that they were being "done in," and were not getting their proper share of the wealth of the country. I want to suggest you should take a look at your own house when you seek to cast doubts on the record of another administration. You talk about the federal government and their inadequacies, in respect to old-age pensions; how about taking a look at your own government and its inadequacies in respect to old-age pensions? You have within your jurisdiction in this province, every right, every opportunity, to pay a

supplementary amount to old-age pensioners; they are doing it in other provinces of Canada, provinces which, in spite of the hon. Prime Minister's plea, are still less wealthy than we are in the Province of Ontario. But all this great province, with its so-called "enlightened government," can do for old-age pensioners is to pay a niggardly allowance, in a supplementary way, to a very small fraction of our old-age pension population.

You are paying a supplementary allowance to less than 2,000 people on the old-age pension roll of this province. You waved the banners high the other day, you increased the \$10 base to a \$20 one, and said that the province was now paying \$12 of that \$20, and the municipalities were only going to be required to spend \$8 in order to get this assistance for people who are "down and out," and who are in dire need of supplementary pension.

I suggest to this House that the new regulation raises the supplementary amount to \$20, but of that \$20, \$10 only is being paid by this government, and it is still only paying supplementary pensions on the same base as it was paying before. It is not enlarging the base of old-age pensions, it is simply increasing the amount which will be available to that very limited number to whom it was paying before. It is not broadening the base of these benefits at all. It is simply paying, as it was before, a supplemental amount to less than 2,000 of the old-age pensioners.

When Saskatchewan and British Columbia and Alberta can, on their own, pay a supplementary amount to old-age pensioners, I suggest that this government's duty lies in copying them, rather than casting doubts on the federal government as to its sincerity in meeting its financial commitments for old-age pensions in this province.

HON. MR. FROST: The hon. leader of the Opposition would do a great deal better to use his great eloquence in speaking for the people of Ontario, rather than for the federal government.

MR. OLIVER: Mr. Chairman, I am not in the humour tonight to listen to any such remarks by the hon. Prime Minister, even though his intention may have been facetious. I say to the hon. Prime Minister, the federal government—and he knows it full well—has taken unto itself a tremendous financial load insofar as welfare legislation is concerned, and if there is to be any further help for old-age pensioners in this province, the place for them to look is to the provincial government. I am afraid, by the attitude adopted in the past, they will look and look for many years, before this government comes to realize that it has an obligation to them.

HON. MR. FROST: Mr. Chairman, the hon. leader of the Opposition talks about the "burden on the federal government"; I imagine the "burden" borne by the 5 million people in this province, who have to earn equalized assessment grants for all the other nine provinces, and yet we get nothing. Think that one over.

MR. OLIVER: Does the hon. Prime Minister feel the equalization grants to the other provinces are too high?

HON. MR. FROST: No, but I think we need more.

MR. OLIVER: The hon. Prime Minister would not take more without giving the others more, would he?

HON. MR. FROST: As I said before, do not kill the goose which lays the golden egg.

MR. OLIVER: That has been gone over many times.

MR. J. J. WINTERMEYER (Waterloo North): Mr. Chairman, one thing with respect to the hon. Minister's comments which came to my attention, was his complimentary reference to the Atkinson Foundation. I have had occasion once or twice to commend the same Foundation for the excellent educational and medical research work it is doing, and I think it is the type of Foundation which should meet with our general support, and enthusiasm. I

certainly want to take this opportunity to commend the hon. Minister for the manner in which he has supported this Foundation.

A few days ago, the hon. Prime Minister told me to go home on a certain weekend and do some reading. I did that, and I noticed that there was a time when this government was not quite as enthusiastic with respect to this particular Foundation. I presume at the present time, there has been a definite change of mind, and that we can be assured that the hon. Minister is speaking officially, as a representative of this government, in assuring us that no harm will come to charitable institutions of the sort of the Atkinson Foundation, that it will be permitted to pursue its objectives in an unencumbered and effective manner.

MR. D. MacDONALD (York South): You asked for it.

THE CHAIRMAN: Order.

MR. WINTERMEYER: I am not trying to be facetious about this.

HON. MR. DANA PORTER (Provincial Treasurer): It was the noise of the prattle down in the front there.

THE CHAIRMAN: Order.

MR. WINTERMEYER: Mr. Chairman, the point I want to make is that it does seem to me there has been a change of mind with respect to Foundations, such as the Atkinson Foundation, and I presume the statement we have heard today, and the press releases which have been given in pursuance of these statements, can be taken as official approbation of the fact that the government approves of this Foundation and other similar Foundations, and that it has no intention of doing anything which might embarrass these Foundations in their objectives, as we know them.

HON. MR. FROST: Mr. Chairman, I would tell the hon. member that I have never done anything to embarrass

any Foundation. The hon. member refers to the charitable work of Foundations and I quite agree. I think the work which it is doing is very great, and can continue to be, and can become much greater. I would say to the hon. member, and he distinguishes the difference, there is a very great difference between what is done with the income of Foundations, and how the investments are managed. The hon. member will see that. He comes from Kitchener and Waterloo, which is a great insurance area, and he knows that investments are managed and directed under the various Acts which provide for the investment and management of funds. That is one question. The other question is the management and the direction of the income of those funds. There are two different steps.

MR. H. C. NIXON (Brant): Has the hon. Prime Minister some recollection of a Bill passed in this House about 6 years ago, which I think was to come into effect in 7 years—which will be next year, which will wind up the Atkinson Charitable Foundation fund, under the Charitable Gifts Act?

HON. MR. FROST: No such thing.

MR. NIXON: It required the distribution of assets within 7 years.

HON. MR. FROST: Nothing of the sort. I would suggest that the hon. member for Brant consult a good lawyer in his Party, for instance, the hon. member for Waterloo North.

MR. NIXON: What was the effect of the Charitable Gifts Act?

HON. MR. FROST: I suggest the hon. member take up the matter with the hon. member for Waterloo North.

MR. NIXON: I would much rather ask the hon. Prime Minister.

HON. MR. FROST: Mr. Chairman, I read the paper today, and I thoroughly agree with the hon. Minister of Welfare (Mr. Cecile). I have said that on various occasions myself. I know I

have been reported in the paper in relation to that, and I see no point of difference between myself and the hon. Minister of Welfare.

MR. MacDONALD: Has the Act been rescinded by Order-in-Council?

HON. MR. FROST: No.

THE CHAIRMAN: Order. If the hon. member wants to address the Chair, alright, but no cross questions.

MR. THOMAS (Oshawa): Mr. Chairman, there are just two or three observations I should like to make, and I want it clearly understood that any criticism I might make is not against the hon. Minister, nor his staff, but against the regulations. I have had the greatest co-operation from the hon. Minister and the officials in his department, and the same applied to the present hon. Minister of Municipal Affairs (Mr. Goodfellow) when he held the Welfare portfolio.

I think the statement of the hon. Minister the other day showed he has some interest in human welfare, because he mentioned some of the restrictions of the federal government in respect to the assessment of a home of a person applying for pension, where 5 per cent. of the assessed value of the home is regarded as income. He also mentioned about a person with a bank balance of \$2,200 applying for the pension at 65, who could qualify for the full \$40 a month on a means-test basis, but if he waited until he was 68, with the same amount of money in the bank, through the restrictions imposed by the federal government, he could only get \$10 a month, pending receipt of the old-age security pension. I think, Mr. Chairman, these restrictions should be removed, because it is penalizing thrifty persons. I think it is time we applied a little introspection and examined our own department, to find out what is going on there.

The announcement of the hon. Minister the other day in the paper of the supplementary pensions to the aged being increased to \$20, I am sure was

great news to the aged people in need in this province.

To me that seems to be a great deal of "window dressing," for the opinion outside seems to prevail that a person on pension on a means-test basis, if he were a single person, and was receiving less than \$720 a year, including the pension, he could only receive part of the \$20 a month. That applied to married couples on the same arrangement, but the allowable income was up to \$1,220. The hon. leader of the Opposition mentioned that, at the present time, less than 2,000 people in the Province of Ontario are receiving the present supplementary pension of \$10 a month.

I think, Mr. Chairman, when I disclose some of the information I have in front of me, you will marvel how even 2,000 qualify for that pension.

The regulations operating in the different municipalities at the present time, particularly in Toronto, are as follows:

Any supplementary grant to the maximum of \$10 monthly is based on a primary budget total for food, clothing, sundries and occasional cooking fuel being deducted from the \$40 cheque. The balance is subtracted from the actual rental, and the remainder determines the amount of the supplementary assistance up to the maximum.

I want to give an example of what happens at the present time in Toronto under the present \$20 a month supplementary allowance. A person's total income, with the pension, is \$40 a month. One must allow for fuel, shelter, food, clothes and so on. These are set, under the regulations, at \$24.32 a month. When that is taken from the total of \$40, it leaves a balance of \$15.68. The regular rental they pay is \$20 a month, so the amount of \$15.68 is subtracted from the \$20 and the supplementary grant from this government, which is so interested in human welfare, is \$4.32 per month. It is quite understandable why there are only 2,000 who can qualify for the supplementary pension at the present time.

I would like at this time to ask the hon. Minister of Public Welfare if it is his intention, regarding the present supplementary pension of \$20, to "up" the allowance for food, clothes, fuel etc. for a single person, from the "measly" amount of \$4.32?

HON. MR. CECILE: Mr. Chairman, that is entirely left in the hands of the welfare people of the city or town. They decide for themselves what amount they might be granted, the full amount or part of the amount, and we come in with the percentage. That is now on a 60/40 basis. It was 50/50 before this.

MR. THOMAS (Oshawa): Some of the municipalities are prepared to increase the amount, if they receive the necessary instructions from the Minister.

HON. MR. FROST: Mr. Chairman, is not the crux of the problem the placing of the old-age pension payment on a realistic level. If \$40 is not enough, is \$50 enough? It ought to be set at a realistic level, and I can assure the hon. member that if that is done, we will pay our portion. The hon. member knows that. He was in this House some years ago, and knows we formerly paid a supplementary amount, and there was nothing more unsatisfactory, nor which caused more dissatisfaction, than that very item.

I can tell him we are not going back into that business, if I can help it. There was nothing which caused more dissatisfaction than all this business of "rent levels," "lodgings," "fuel," and so on. That satisfied nobody, least of all the Opposition, which asked for it. There is only one way to deal with it, and that is, by doing what was done in 1950, or thereabouts. We will pay our proportion of whatever the federal government thinks is a realistic old-age pension. We are prepared to do that. If they make it \$50 a month, we will pay our share and get rid of this business of a means test by examining into people's affairs with a magnifying glass. I want to have nothing to do with that. I say to the federal government, it should take into

account the cost of living, and set a realistic level for old-age pensions, and say what it is. Then we will pay our share in this province.

MR. THOMAS (Oshawa): Mr. Chairman, I appreciate the remarks by the hon. Prime Minister. I am sure he would wish to do more. It is preposterous to expect an aged person to live on \$24.32 a month.

HON. MR. FROST: We are bound by the federal regulations.

MR. R. WHICHER (Bruce): This government can pay more.

HON. MR. FROST: The regulations are entirely federal. If they want to raise the amount let them raise it to a realistic level, and we will pay our share.

MR. WHICHER: This government can pay a greater supplementary amount.

HON. MR. FROST: All supplementary payments are totally unsatisfactory and unfair. That has been proved in this province. They were never satisfactory, and never will be. Let the people be paid at a realistic level for Canada, and let us pay our share.

MR. THOMAS (Oshawa): There may be something of an argument between the federal government and the provincial government. I do not know. However, we must recognize that we have a responsibility, and we have recognized that responsibility by granting this \$20 a month. Since we are doing that, let us do it properly, and not half-heartedly or grudgingly. If only 2,000 people in the Province of Ontario can qualify for it, something must be wrong.

MR. WHICHER: I am sure the old people in receipt of pensions in British Columbia, Alberta and Saskatchewan are mighty happy that the governments there do not take the same attitude as the hon. Prime Minister.

MR. J. YAREMKO (Bellwoods): How many are receiving pensions there?

HON. MR. CECILE: Mr. Chairman, I do not know how true this is, but it is taken from the *Windsor Daily Star* of March 15, 1956. It is datelined Regina, and reads as follows:

Few of the Aged in Sask. Receive Maximum.

The Saskatchewan government's maximum supplementary allowance of \$20 is going to only 32 of the 17,000 aged people involved, Robert Kohaly, Progressive Conservative, Souris-Estevan, said Wednesday.

Only two per cent. of these people get more than \$10, he added during the Legislature's budget debate.

MR. THOMAS (Oshawa): Mr. Chairman, the hon. Minister has mentioned Regina. I wish to mention Oshawa, with a population of 48,000, where there are only 3 getting it.

HON. MR. FROST: Mr. Chairman, I wish to make it clear to the hon. member for Waterloo North, that at this time I was not expecting there would be any reference to The Charitable Gifts Act of 1949.

I want to make it clear, first, the administration and application of income from any Foundation's assets is one thing; the investment of the funds of any Foundation is another. There are two separate points. The application of the income is one thing, and the investment of the funds is another. This statement had absolutely nothing to do with The Charitable Act, nor has anything I said.

MR. MacDONALD: Mr. Chairman, I wish to get back to this question of the old-age supplement. I think the government is dignifying this as a plan which is not really a plan, when there are so few getting it. There are 300,000 old-age pensioners in the Province of Ontario and tens of thousands who require assistance, yet, as has been pointed out a number of times, less than 2,000 are receiving any supplement.

Why are there less than 2,000? Because the initiative for paying it is left

exclusively to a municipality, and a municipality cannot pay it, because, in most cases, it is so "strapped" financially it cannot move, even if it wanted to, and pay \$10, expecting the province to pay one-half. The government is suggesting, by raising the supplement to \$20, they have made a generous gesture, and have created a plan. I suggest that most likely it has made it possible that the plan will become even smaller; certainly it will not grow much larger. The result of the \$20 supplement now is that most municipalities, if they are going to pay anything, will have pressure brought on them to pay the \$20 rather than the \$10, if the person is in desperate need. That means the municipality, on this new 60/40 split, will be left with \$8 to pay, rather than \$5. Over a number of years we were only able to build up a so-called "plan," to pay 1,795 pensioners, when municipalities had a \$5 obligation. Now that there is going to be an \$8 obligation, the likelihood is that even less will receive it, under the expanded plan. Therefore, the plan will be getting smaller rather than larger; or the circumstances set up, will tend to make it smaller. It is impossible to dignify this gesture as any sort of a plan to pay supplements to old-age pensioners.

MR. WINTERMEYER: Mr. Chairman, I agree with the hon. Prime Minister there is differentiation between "income" and the "investment of funds which produce that income." With deference, however, it seems to me that it could be put in this way. First of all, I might say there was no intention on my part to take the hon. Prime Minister by surprise. I was very pleased to see the article, and hear the comments of the hon. Minister of Public Welfare, and that is what prompted me to raise the point. I have not come here prepared to debate this matter. I was delighted, during the recess, to read in the *Star* what I thought was a change of heart and mind.

HON. MR. FROST: There is never any change.

MR. WINTERMEYER: Mr. Chairman, it seems to me the hon. Prime Minister must acknowledge, if his argument about the "goose that lays the golden egg" is sound, and if he applies that philosophy to this situation, the income used in such an admirable fashion, and with which we all agree and approve, is going to dry up rapidly, if anything is done to stifle the source from which that income is derived.

I had hoped this expression of approval was a demonstration on the part of the government that they would do what I had suggested some time ago, that is, help to underwrite organizations of this province and do whatever it could to ensure that more and more Foundations will be created, and will be used to assist our government.

HON. MR. FROST: We do that.

MR. WINTERMEYER: Mr. Chairman, if so, it is surely inconsistent to try to draw a line of demarcation, taking away one. I understand it is purely the difference between "investment" and "income." And I think the hon. Prime Minister's analogy to the "goose that laid the golden egg" certainly is applicable here. The "egg" is the income, the desired end.

HON. MR. FROST: That is right.

MR. WINTERMEYER: But if anything is done to hurt the source from which that egg comes, then the government is not going to be able to carry on this very admirable work. I must say I was rather disappointed to see the government, in any wise, try to draw a differentiation. I was honestly enthusiastic. I thought we had come to something upon which we were in complete agreement. That is the sponsorship and development of this type of Foundation, and I certainly was a little disappointed when I heard the hon. Prime Minister attempt to correct himself.

HON. MR. FROST: Mr. Chairman, I do not want the hon. member to misunderstand me. Perhaps he should pay a little attention to this question.

My position in connection with Foundations is, and always has been, all for encouraging them. I am all for encouraging the use of income from Foundations for the great, useful projects of this province. Let the hon. member understand that I am "all for" that. My position has been stated many times on that point, and, I may say, has been supported by the people, too.

MR. WHICHER: But what about the "eggs?"

HON. MR. FROST: Yes, Mr. Chairman, I have been supported by the people. The other position is that, of course, the incomes from Foundations have to be protected. The hon. member, I am sure, sees that. He comes from a city which is noted for its big investment houses and insurance companies. May I then point out to him what is perhaps analogous to a Foundation, to this extent, that funds are received by an insurance company and the income is given to policy holders, for the benefit of those policy holders.

Where the state has to intervene—and does intervene, both federally and provincially—is in the matter of investment of funds—the hon. member can understand that—in order to see that there is income for the beneficiaries.

As I say, there are two different situations. An insurance company, for instance, is enabled to invest a certain percentage of its income in common stock, which shows a record of earnings, as the hon. member will understand. I believe he will agree that it would be quite unsound for an insurance company, for instance, to invest a percentage of its funds in things which are purely speculative, or which were speculative in this form, that there was a growth over many years, but no income.

That is the principle, Mr. Chairman. Of course, we have to be interested in trust companies, insurance companies and Foundations, which, by the way, are growing very rapidly in America, and playing a very important part in the development of America, and will

have undoubtedly a very important part to play in the development of Ontario.

Some of those Foundations are created from the investment, for instance, of employees' savings in insurance funds, and annuity funds, and that sort of thing. I think the hon. member will quite agree with me that the application of the income from those great investments is one thing, the protection of the principal and interest is another. There is the point, Mr. Chairman.

MR. YAREMKO: Mr. Chairman, now that the hon. member for Waterloo North has been converted to the "goose-that-laid-the-golden-egg" theory, I wonder if he could spend his weekend dashing off a small note to the hon. Mr. Harris, and produce some "eggs?"

Then may I say to the hon. leader of the Opposition that even in the short time I have sat in this House with him, and I am sure he has heard from many others over the years, as both the prior and present hon. Ministers of Welfare have repeatedly told the House the province was quite willing to "go along" on a broader base and if the federal government permitted a greater income to those entitled to receive old-age assistance, this province would "go along." I suggest to him that he refer to *Hansard* from Ottawa, in which the hon. Mr. Martin continually refers to the fact that these are provincial regulations, and that nothing can be done by the federal government without the provinces joining in. But the Province of Ontario has repeatedly gone on record that it is willing to "go along" with any change in the present regulations, e.g., that if the 5 per cent. assessment could be done away with in calculating the income, this province is willing to "go along," and I suggest that the hon. leader of the Opposition might inform the hon. Mr. Martin, in Ottawa, of the province's position, rather than defending the federal government.

MR. OLIVER: I would like to see the hon. member do something himself first.

MR. YAREMKO: We are doing it.

MR. OLIVER: Very, very little.

MR. YAREMKO: And we have done it.

MR. OLIVER: It would take a magnifying glass to see it.

MR. YAREMKO: And I am very pleased to have justified my rising this evening and commending the hon. Minister of Public Welfare for having taken the step, and the hon. Provincial Treasurer for having found the funds to put into effect something for which I rose in my place in this House on February 10th, and recommended strongly. And I say that not only did I recommend it—

MR. THOMAS (Oshawa): What did the hon. member do when he had a chance to vote for our amendment?

MR. YAREMKO: I did.

MR. THOMAS (Oshawa): The hon. member did not.

MR. YAREMKO: But it was put into effect.

THE CHAIRMAN: Order.

MR. MacDONALD: "Window dressing."

THE CHAIRMAN: Order.

MR. YAREMKO: "Window dressing", Mr. Chairman? I may say that is a term I was surprised to hear the leader of the CCF Party use.

MR. THOMAS (Oshawa): The hon. member for Bellwoods did not vote for it.

THE CHAIRMAN: Order.

MR. YAREMKO: I was surprised to hear the hon. member for Oshawa use such a term as "measly". That is something I would have expected from the hon. member for York South, but never from the hon. member for Oshawa. Mr.

Chairman, I believe the Opposition, and in particular the hon. member for York South—and I can see he is having some influence on the hon. member for Oshawa—

MR. MacDONALD: It is a good one.

MR. YAREMKO: I can see that they are disappointed in the step this government has taken this session.

MR. THOMAS (Oshawa): Mr. Chairman,—

THE CHAIRMAN: Order.

MR. THOMAS (Oshawa): Mr. Chairman, on a point of order. The hon. member for Bellwoods said I am disappointed that the government has awarded a supplementary pension. I think if he will go back over the records since 1948, he will find I have mentioned that very thing every year.

HON. MR. THOMAS: And yet it makes the hon. member for Oshawa mad to see it now.

MR. YAREMKO: Mr. Chairman, I was referring to the hon. member for York South, and said I am afraid he was having some influence on the hon. member for Oshawa, because the latter did use the expression "measly" in referring to the steps which have been taken.

MR. THOMAS (Oshawa): That is right.

MR. YAREMKO: I do not agree with the hon. member for Oshawa; I think it is a great step.

MR. THOMAS (Oshawa): Many people outside do agree with me.

MR. YAREMKO: And I might refer to the statement setting out the legislative proposals of the Ontario Federation of Labour, and I suggest that the hon. member for York South do not ask hon. members on this side of the House to read it, but rather, that he read it himself. And if in so doing he will refer to page 5, on "Old-age Security", he will

find this government did exactly, and on the very same basis, what I recommended to this House, that on the basis of the city of Toronto, which has all these pensioners suffering hardships, that this step be taken. That recommendation was made by myself, and other supporters of the government, and by the Ontario Federation of Labour, and the hon. Minister of Welfare put into effect exactly what was recommended, and the hon. Provincial Treasurer found the funds.

MR. THOMAS (Oshawa): Oh, no you did not.

THE CHAIRMAN: Order.

MR. YAREMKO: And I am going to be very proud, Mr. Chairman, to go back to the people of Bellwoods riding and say to them that this government has taken another forward step in the programme of human betterment. That was one of the reasons why, back in 1951, I was proud to be associated with this Party, when the hon. Prime Minister in March of that year, said:

Whenever our citizens, through unforeseen circumstances, have been denied the opportunities which abound in this good land, the government—

and I bring this to the attention of the hon. leader of the Opposition—

—within the limits of its resources and its constitutional powers, has done its utmost to ameliorate their condition.

MR. THOMAS (Oshawa): It has not.

THE CHAIRMAN: Order. The hon. member is out of order.

MR. OLIVER: Are you sure?

THE CHAIRMAN: Positive. Let the hon. leader of the Opposition just prove he is.

MR. R. E. SUTTON (York-Scarborough): Mr. Chairman, I was interested in the remark of the hon.

member for Waterloo North. He has been recently studying a great deal of financial data, and financial statements, and I would suggest to him, sir, that he should get the financial statements of both the Atkinson Estate and the Atkinson Foundation, since 1949, and I think he will find that the amounts charged to depreciation alone from 1949 to 1954 total \$4,900,000. And I think the amounts paid into the Foundation were a little less than \$3 million. When you consider that the valuation of this estate in 1949 made by the Trust Company is in the neighbourhood of \$6 million—which was afterwards increased to \$12 million—and based on the first valuation of \$6 million, they have ploughed back into properties \$4,900,000, and still have money to devote to charities. The point I wanted to make was that there was a saving of from 3 to 5 million dollars in inheritance taxes and to date around \$3 million had gone into the Foundation.

MR. WINTERMEYER: Mr. Chairman, I am delighted.

THE CHAIRMAN: Order. The hon. member for Bruce has the floor.

MR. G. T. GORDON (Brantford): Did I not have the floor, sir?

THE CHAIRMAN: The hon. member for Brantford will have it, if he speaks in time.

MR. WHICHER: I will leave the Atkinson Foundation discussion for the next speaker, and get back to the second one. The hon. member for Bellwoods, I think was speaking quite conscientiously and sincerely, nevertheless he is completely "off base". In the last 6 or 7 weeks, Mr. Chairman, I have been sitting here, strictly as an amateur, I admit, and I came here with the intention of listening for a considerable length of time and not "flying off the deep end" so to speak, as some hon. members do around here. But after all, a person can only take so much, and I have listened, as I say, for the last 6 or 7 weeks to hon. member's opposite and surrounding me, casting aspersions

at the federal government. I want to tell the hon. members right here, and I think they can all hear me, that I am proud of everything the federal government has done in Ottawa. Particularly is that true insofar as welfare is concerned for this whole Dominion, and I will tell the hon. member for Bellwoods that if the floor price of \$40 for old-age pensioners is good enough for British Columbia, Alberta and Saskatchewan, it should be good enough for this government right here.

HON. MR. FROST: The hon. member would not be prejudiced, would he?

MR. WHICHER: Is the hon. Prime Minister prejudiced?

HON. MR. FROST: The hon. member would not be prejudiced, would he?

THE CHAIRMAN: Order. Let the hon. member make his speech, and then he will hear the answer.

MR. WHICHER: I am making it, Mr. Chairman. May I inform the hon. Prime Minister that prejudice can be used in two ways. Since he is on his feet about half the time, I suggest he has as much prejudice as the rest of the hon. members put together.

The point is this, Mr. Chairman, that when we can talk about \$8 billion for capital expenditures, in the next 10 years, \$1.5 billion for Hydro, \$2½ billion for water resources, \$700 million to \$800 million capital expenditures on roads, but cannot even talk about 8 cents as a supplementary grant for the old-age pensioners, I think we are going a little too far.

MR. R. MACAULAY (Riverdale): Mr. Chairman, may I ask the hon. member a question?

THE CHAIRMAN: If the hon. member will permit it, yes.

MR. WHICHER: Yes, certainly. I only ask that the hon. member be fair and simply ask a question.

MR. MACAULAY: Alright, I will be perfectly fair, Mr. Chairman, and this is a question. The position which is taken by this government, and which I explained the other day, was that there are certain ambits of responsibility of the province and of the Dominion.

MR. OLIVER: No question yet

MR. MACAULAY: If the hon. member suggests that the province get into the ambit of responsibilities of the federal government, would he go so far, for example, as to suggest that the province should be responsible for building things like battleships, and air forces? That is exactly the same thing.

MR. WHICHER: No.

MR. MACAULAY: Sure they are.

MR. WHICHER: That has absolutely nothing whatever to do with it. The federal government has never asked this province to build any, and it would be of no use anyway, because they would not do it.

I have listened to the hon. Prime Minister for the last 6 or 7 weeks saying, "We are so completely poor it is a wonder we do not all have to go home." He talks about \$8 billion. Why, even in the Budget the other day—

HON. MR. FROST: May I say to the hon. member I have talked about the \$8 billion—

MR. WHICHER: I am sorry, one second, please.

HON. MR. FROST: But my great problem is where to get the \$8 billion.

MR. WHICHER: I am sorry, I am sorry. I know there are a great many professionals in this House, but the amateurs have to learn sometime, and I would say to the hon. Prime Minister I am sorry, but I insist.

HON. MR. FROST: The hon. member should not "take it out" on me.

MR. WHICHER: It is high time somebody "took it out" on the hon. Prime Minister.

The other day the hon. Provincial Treasurer rose in his place in this House and presented an item of \$100,000 for a zoo in the city of Toronto. \$100,000 for monkeys, and not one single solitary red cent for supplemental old-age pensions. They should really be proud of themselves. Regarding the poor Province of British Columbia; the other day the hon. Prime Minister said he felt sorry for them, as we were going to have an economic crisis in this country, because the federal government, out of the goodness of its heart, gave this province only an extra \$50 million.

HON. MR. FROST: They did not give us anything.

MR. WHICHER: They have offered it and the hon. Prime Minister will have sense enough to take it, too.

HON. MR. FROST: Oh, no.

MR. WHICHER: But as far as I am concerned the insinuation has been we are afraid to stand on our own feet, not only to stand up for the people of Ontario, but also for the people in Ottawa. I can stand on my feet, and I am standing up for both of them. This government is getting all that is coming to it—plenty of it.

I am sorry, Mr. Chairman—

HON. MR. FROST: Go out and tell the people that.

MR. WHICHER: —I am sorry—

THE CHAIRMAN: Order.

MR. WHICHER: The income taxes of the head offices in this great city of the banks and insurance companies, no more belong to the Province of Ontario than they do to the Province of Nova Scotia, except for the services which are rendered by the city of Toronto.

MR. YAREMKO: That is a big exception.

MR. WHICHER: And those taxes should not all go to this province. I admire hon. Walter Harris and I admire Rt. hon. Mr. St. Laurent for refusing to give the hon. Prime Minister all he wants, as it is possible for me to do.

I want to say to the hon. member for Bellwoods I am sorry he rose in his place, as I definitely heard him say—as I heard said by many other Conservative members in this House—that they wanted, above all else, to try to do something for the old-age pensioners. I suggest to the hon. members sitting in this House, if you want to do something, do it right now.

MR. MACAULAY: The Chairman will not let us.

MR. WHICHER: I did not hear that. I want to emphasize this—

MR. CHAIRMAN: Order.

MR. WHICHER: If \$40 is good enough for the poor Province of British Columbia, for which the hon. Prime Minister feels sorry, and they can give \$20 a month extra, a great wealthy province, such as Ontario, should feel ashamed of itself, and government members should be equally ashamed.

THE CHAIRMAN: The member for Brantford is next.

HON. MR. FROST: May I just say to the hon. member I would like him to go up to Wiarton and tell them the "Tories" are trying to reduce their municipal taxes. He stands up for Walter Thompson—

MR. WHICHER: I want to say that I am willing to go to the people of Wiarton any time, or the people of Kincardine. The hon. Prime Minister, over the years, has been blaming everything on the federal government. The municipalities are his responsibility, they are his children. The federal government has nothing whatever to do with them. They are his responsibility—every single one of them, under the Act which the hon. Prime Minister has quoted historically for years. But

remember all of the other Acts. The municipalities of this province are the responsibility of the province. Accept that fact.

HON. MR. G. H. DUNBAR (Ottawa South): The hon. member is Walter Thompson number 2.

HON. MR. FROST: I have a message here: "Leafs one, Detroit nothing."

MR. GORDON: Let us get back to the middle class for a few moments.

There is a reason that so few of our aged people, in the old-age assistance bracket, are getting a supplementary pension. The reason that so few are getting it is in the method by which they have to apply for it. I have had quite a number of old people come to me in my own riding. I explain to them that they can get the supplementary pension, but when I tell them how they have to proceed to get it, and that they have to go to the Department of Welfare, which to them, means the Relief Department, they immediately say, in many cases, "I have lived until I am 65," or whatever age they are—"and I have not had to apply for relief as yet, and I am not going to disgrace myself and my family by going there." They pass it by, and carry on the best way they can.

I think there should be a better method of handling the supplementary pensions than there is at the present time.

MR. G. F. LAVERGNE (Russell): Mr. Chairman, —

MR. CHAIRMAN: Order. The hon. leader of the Opposition has the floor.

MR. LAVERGNE: I want a chance to speak.

THE CHAIRMAN: The hon. leader of the Opposition.

MR. OLIVER: Me? Mr. Chairman, this has been delayed so long, I do not remember what I was going to say.

While I collect my thoughts, I would like to say something about old-age pensions. It has not been mentioned to-night.

I was going to say to the House, Mr. Chairman, that it is rather ironic to hear the government say it just has not the funds to do this job of supplying the supplementary pension.

Along that line, it is interesting to note that the estimates this year for old-age assistance is \$365,000 less than it was last year. I suggest, with a financial picture like that, it is an added reason why it might at least use the savings to increase the old-age pensions.

MR. WINTERMEYER: Mr. Chairman, I was almost amazed to think that the hon. member for York-Scarborough would suggest to me that he intended to cast some doubt on our essential free enterprise. Certainly any well-organized organization is required to write off depreciation. Very often those costs far exceed its profits. I cannot see anything inconsistent, wrong or detrimental about it. That is one of the basic principles of our system, and our right to private ownership.

I thought very frankly, being a member of a party to which he gives allegiance, he would be most concerned with, and determined to preserve these rights.

While I am on my feet, with reference to what the hon. Prime Minister said about the investment of insurance funds; I quite agree, but it seems to me that is not the basic issue here. I quite agree, if I owned an insurance policy, I would not want that insurance company investing my money in some speculative stock.

HON. MR. FROST: I do not understand the issue which the hon. member is raising.

MR. WINTERMEYER: The difference of opinion is this: It seems to me the hon. Prime Minister cannot say that he wants to use the income from this Foundation for charitable purposes, and is "all for that," but seems to throw some cloak of doubt on whether or not

the funds themselves can be used in any way the administrators decide to use it to their own advantage in producing income.

I do not see how he can draw that line of demarcation. He can differentiate technically, but the Ford Foundation or any of the other American Foundations to which he made reference, made no such differentiation or suggested it.

I think the hon. Prime Minister knows exactly to what I am referring, and the concern I have.

HON. MR. FROST: That is hardly a reasonable contention. In some of the insurance companies in the riding of the hon. member, their investments are all controlled in a broad way—that is, the type of investment—by both federal and provincial governments. None of them have all their eggs in one basket.

He mentioned the Ford Foundation in the United States. That was based almost wholly on the Ford Company. There were many people who criticized it as being unsound, but it was acceptable to the company. Then, very recently, they sold their share to the public, and invested their funds in trustee investments, or investments which would be sanctioned by the laws of the state in which the trust is located, or by the laws of the United States of America. That is a common practice. It is so accepted, and I think investment people would be horrified if it were any other way.

MR. WINTERMEYER: That may be, but in the United States there is no law or legislation. It may be the part of wisdom or good management. It may be the part of many things that the owners of the funds decide on a certain policy and do not "put all their eggs in one basket", but I do not think governments should interfere with an organization in its management or investments.

THE CHAIRMAN: The hon. member for Russell has the floor.

MR. LAVERGNE: Mr. Chairman, I had no intention of entering this debate at this particular time.

MR. NIXON: Good.

MR. LAVERGNE: Thank you. The hon. member for Bruce, in speaking on municipal matters, made reference to the fact that if any of the government members had anything to say, now was the time to say it. Mr. Chairman, I would like to draw the attention of the hon. member for Bruce that I well remember—and it is not so long ago—when the great family, called the “Liberal Family”, were in power, in the Province of Ontario and also at Ottawa. I am well aware of the way they treated the people of the Province of Ontario in this matter. If the hon. member will just listen for a minute or two, he will learn something, which will be good for him.

If the hon. member would only look back in history for a short space of years, he would see the plight we were in. And I say, without hesitation, the reason that I, once a good Liberal, am sitting on the government side, is because the Conservatives in the Province of Ontario have taken this question in hand and have dealt with it in a most humanitarian way. I want to tell the hon. member for Bruce that is the big reason I am sitting on this side of the House, and not over there. In the matter of these grants, I know, being in the same position as the hon. member for Bruce, as Chief Magistrate—if you want to call it that—of a municipality, that it is through these grants that we are able today to permit the aged people, who are in institutions or homes or otherwise, the municipalities can allow them the \$5 and \$10 extra to make their lot that much better. If the hon. member will look around this province, he will see the good this government has been doing, and is continuing to do. Mr. Chairman, I want to thank you for this opportunity.

MR. D. M. KERR (Dovercourt): Mr. Chairman, after listening to the eloquence of the hon. member for Bruce, and his support of hon. Mr. Harris, I would suggest that he get in touch with hon. Mr. Harris and ask him to return the money he collects for old-age pensions in the Province of

Ontario, and let us handle it ourselves. He is collecting a great deal more in old-age pensions than he is paying, and he has two per cent. of income tax and two per cent. of corporation tax which he is collecting from Ontario, to pay the \$40 in British Columbia. If he would hand back to us all he has collected in income tax, we could pay more than he is paying by a long shot.

MR. NIXON: Mr. Chairman, to go back to this Atkinson Charitable Foundation; the hon. Prime Minister has skated around this matter most expertly.

HON. MR. FROST: Show that paper to the hon. member for Brant.

MR. NIXON: I saw that hours before the hon. Minister delivered it in the House. The hon. Prime Minister will recall sponsoring a Bill in this House in 1949 called the “Charitable Gifts Act,” which was really a time bomb, timed to explode in 7 years, if I remember rightly, and so it is due to explode this year, if something is not done about it.

HON. MR. FROST: It exploded prematurely and blew you people up.

MR. NIXON: May I suggest, Mr. Chairman, that this session would be a good time to repeal the Charitable Gifts Act, and remove the danger. The hon. Prime Minister talks about “killing the goose that lays the golden egg.” If this bomb goes off, the goose will not only be killed, it will be blown into atoms, and there will not be anything for anyone to eat. There will not be any Charitable Foundation if the *Toronto Star* is blown sky high.

MR. MacDONALD: Mr. Chairman, we have heard a lot of talk around this, and the hon. member for Brant is quite correct, the hon. Prime Minister has “skated” around it.

THE CHAIRMAN: Order.

MR. YAREMKO: Let us hear the hon. member’s opinion then.

MR. MacDONALD: Is it the government's intention to force the sale of the *Star*? That is a point. If it is not—

THE CHAIRMAN: Order. That is entirely irrelevant on the departmental Estimates.

MR. MacDONALD: After we have discussed about 8 times the Charitable Gifts Act and the Atkinson Foundation how you can rule it is irrelevant, is beyond me. My question is, is it the intention of the government to force the sale of the *Star* or is it going to repeal, in this session, the Charitable Gifts Act?

HON. MR. FROST: May I say I have no intention of repealing the Charitable Gifts Act.

MR. MacDONALD: Then it is your intention to force the sale of the *Star*?

HON. MR. FROST: The Charitable Gifts Act has nothing to do with these Estimates at all.

MR. MacDONALD: It was the hon. Prime Minister who raised the question.

HON. MR. FROST: The Charitable Gifts Act was the subject matter of two elections in this province, and I think the people expressed their approval of the principles of that Act. I have no further comment to make. This has nothing to do with these Estimates.

MR. MacDONALD: Mr. Chairman, the hon. Prime Minister cannot call the end of a thing because he does not want to discuss it. We all have privileges in this House. If the hon. Prime Minister is not going to repeal the Act, he is going to force the sale of the *Star*.

THE CHAIRMAN: That is entirely irrelevant to the Estimates here.

MR. MacDONALD: It is wonderful, where we get to the point in this debate, when the government does not want to talk any more, then a question becomes irrelevant.

THE CHAIRMAN: Not necessarily. Retract that, as far as I am concerned. I demand you retract it.

MR. MacDONALD: Retract what?

THE CHAIRMAN: Retract the statement that anything you have said is relevant.

MR. MacDONALD: What should I retract?

THE CHAIRMAN: That the Atkinson Foundation has anything to do with the Estimates here.

MR. MacDONALD: Mr. Chairman —

THE CHAIRMAN: That's a disrespectful remark, to the Chair and I so rule.

MR. MacDONALD: It is quite good so far. But the hon. Minister delivered his Estimate speech tonight and took about 10 minutes in discussing the Atkinson Foundation, and its work.

THE CHAIRMAN: Withdraw.

MR. MacDONALD: What?

THE CHAIRMAN: Anything against the Chairman.

MR. MacDONALD: I said nothing against the Chairman.

THE CHAIRMAN: The hon. member said a few minutes ago it was funny it became irrelevant at this time.

MR. MacDONALD: I said I found it strange, after 8 people had discussed this, when I rise to discuss it, it is irrelevant.

THE CHAIRMAN: That is disrespectful to the Chair.

MR. MacDONALD: I hate to be disrespectful to any Chair.

THE CHAIRMAN: I have gone as far as I will go. Vote 1,701.

MR. MacDONALD: Just a minute, hold everything. Is this a steam-roller?

THE CHAIRMAN: No, it is not a steam-roller. I demand the hon. member retract that statement.

MR. MacDONALD: Mr. Chairman, I withdraw it, but when 8 people shouted at me, I thought it constituted a "steam-roller."

THE CHAIRMAN: The hon. member is entirely wrong.

MR. MacDONALD: Mr. Chairman, I would like to speak seriously for a moment on a matter which I think should be treated seriously, Item 11 in Vote 1,701, namely, Memorial Wreaths, \$6,000. May I emphasize at the outset, that I have nothing but commendation for this programme of the provincial government sending memorial wreaths to the various memorial services which are held on Remembrance Day each year. I had the opportunity of attending one of these services in my own riding last fall, and I think it was very appropriate and commendable that the province had placed a wreath there.

However, I have a letter here which makes for a question. It is a letter over the signature of Louis P. Cecile, the hon. Minister, and I want to read the middle paragraph, which is the one which prompts my question.

I have been requested by Major J. W. Spooner, M.P.P. to forward a wreath to you for use at this ceremony. This wreath because of the bulk will be shipped direct to you by express.

This letter was sent by the hon. Minister to a man by the name of William Grummett, Jr., Secretary of a branch of the Canadian Legion in Ansonville, Ontario. The thing which interests me is this, that for 12 years prior to the last celebration of Armistice Day, South Cochrane was represented by Wm. Grummett, Sr., a man who has been eulogized many times in this House, and through all of those 12 years, on no occasion did he have the opportunity of

presenting a wreath on behalf of the province. It was always sent directly. Now, the thing which interests me is, as I wander about the province, and discover more and more instances in which the government departmental activities become dovetailed with the activities and the publicity of the Conservative Party, even I did not think the government would reach the point where it would use Remembrance Day for political purposes.

HON. MR. FROST: It does not.

MR. MacDONALD: For 12 years, the duly elected representative of the constituency of Cochrane South was not given a privilege, which was immediately granted to an elected representative, who is a government supporter, and undoubtedly under those circumstances, one can only come to the conclusion that if it is a government member, it was done to try and advance the interests of the Conservative Party. My question to the hon. Minister is this; is it true, in all instances, that Opposition members are not given the right to present the wreaths on behalf of the government? Is it a fact that it is only in the case of government members, or is South Cochrane an exception?

HON. MR. FROST: Mr. Chairman, may I say to the hon. member that I have been a member of this House for 19 years now, and I have never yet been asked to lay a wreath on a cenotaph.

MR. MacDONALD: You misunderstand my question. It is not a case of you being specifically asked to lay a wreath, but the fact that a letter was sent out, over the signature of the hon. Minister of Welfare, saying that it is being sent on behalf of the local member, who is a government member. But if he were not a government member—

HON. MR. M. PHILLIPS (Minister of Health): That is not true.

MR. MacDONALD: The hon. Minister of Health now says it is not true. All I can give you is the indisputable

fact that for 12 years it was true in Cochrane South, but now the pattern has changed, when a government member is elected. My question is, is this a general pattern across the province?

HON. MR. CECILE: Mr. Chairman, I might say in answer to the hon. member for York South that it is possible in this case that the hon. member for Cochrane South, asked that it be sent there. If any other hon. member made a similar request, I am sure it would be taken care of.

MR. MacDONALD: Very subtle.

MR. GORDON: Mr. Chairman, I have been a member since 1948, and I do know on one occasion the defeated candidate—the candidate I defeated—phoned me and said he had received an indication that he was going to receive the wreath, and would I care to place it on the cenotaph. Of course, I told him I would have nothing to do with it, that it was up to some Veterans' Organization to do that.

At the same time, it was the defeated candidate who received the letter, and the wreath.

HON. MR. W. M. NICKLE (Minister of Planning and Development): Mr. Chairman, representing as I do in this House the city of Kingston which is in a large military district, and we have there the headquarters of the military area Royal Canadian Corps of Signals, the Royal Canadian Electrical and Mechanical Engineers, and the Royal Military College, and a cenotaph in memory of the men who were killed in the two wars—graduates of the Royal Military College—and the men of the 21st Battalion killed overseas in the First World War, and the I.O.D.E. Cross of Sacrifice, I would like to make this observation. I never thought the political level of this province would reach such a low level that, concerning those whose lips are sealed by death, and who are buried in France and Flanders, would have the question of

the cost of a wreath raised by the hon. member for York South.

I take this position, for the Veterans of the Province of Ontario.

MR. MacDONALD: "The cheap seats."

HON. MR. NICKLE: The hon. member is not behind a desk in Ottawa any more. The Veterans of this province will have an opportunity to remember the "cheapness" of his observations in relation to wreaths placed on Armistice Day in memory of those who cannot speak for themselves.

Mr. Chairman, I would like to make this further observation, if I may. Someone asked the question if it was government thinking that in the respective ridings throughout the length and breadth of this province, the memorial wreaths should be placed by those representing and supporting the government of the day. Speaking for the historic city of Kingston, may I say that ever since I have been a member of this House, of the people who have placed the wreaths on Armistice Day one was the mother of a son who flew over Malta never to return. What happened to him no one knows. Another, who placed a wreath on behalf of the government and the people of Kingston, is a mother whose son was in the Artillery, and who was blown to pieces. The third, a widow whose husband was killed with the 21st Battalion. These are the types of people who placed wreaths in the riding that it is my honour and privilege to represent in this House.

MR. A. GROSSMAN (St. Andrews): Mr. Chairman, I have not had much experience with this matter. In the past, organizations have told me that on making representations to the government they were provided with wreaths for this purpose on Armistice Day. Those organizations asked if I would kindly direct them to the proper source, as the officers of the organizations had changed. I merely met a request in the usual way, and asked where they required the wreaths sent.

Mr. Chairman, I think this matter can be cleared up very easily, merely by asking if there is any member of this Legislature, no matter what his politics may be, who made a request on behalf of any organization or municipality which was refused.

MR. MacDONALD: Mr. Chairman, may I make this statement? I think this kind of things is highly commendable. I start out by emphasizing that point, that is, if it is done by the government, and the duly elected representative of each area is asked to present the wreath. That is fine and legitimate, and is part of the government's representation in it. However, if it is done, as it was done in this instance, as has been confirmed by the hon. member for Brantford, through the defeated Tory candidate, it is not purely an expression of what should be expressed on Armistice Day by a government; it is an abuse of the activities of the government of the day, for political purposes.

MR. CHAIRMAN: I rule that statement is not parliamentary.

MR. G. C. WARDROPE (Port Arthur): I have had a great deal of experience in my riding with reference to the matter of wreaths over the years. Without appearing boastful, I may say I am a veteran of two wars, and know this situation probably as well or better than anyone else in this House. The hon. Minister has written to me year after year, probably for the past 5 or 6 years, asking who required wreaths in my constituency. We have in Nipigon, Geraldton and Neebing and some other places where there are Legion Branches in need of wreaths. I immediately write to the secretary of the Legion of Port Arthur and ask him to supply the names of the secretaries of the different branches to whom these wreaths are to be sent. There is never a mention of political parties in the whole correspondence between the hon. Minister and myself, nor anyone else. The hon. member for York South has brought this up, but it is part of his

"smear campaign," and I am not standing for it. Let him keep his arguments on a little higher plane.

I have laid one wreath on the cenotaph in Port Arthur in all my life, and that was last Armistice Day. The provincial wreaths were always laid by someone else who was better fitted, due to losses of loved ones in their families, than I was. I never have used my political office in any way in Legion or military matters. When the hon. member for York South brings up politics in these matters, I would like to ask if there is any truth in his charges. I do not believe there is.

MR. MacDONALD: The hon. member for Port Arthur said he received a letter from the hon. Minister, asking what wreaths he required. I would like to know if that letter was addressed to him, in his capacity as a member of the provincial parliament.

MR. WARDROPE: That is right.

MR. MacDONALD: I never received a letter. The hon. member is confirming the point I have been making. He happens to be on the government's side of the House. The evidence accumulates the longer we continue to talk. What I basically said is the case.

MR. WARDROPE: If the hon. member laid every wreath in his riding or city, how many did he lay, and how did he get around to lay them all in one day?

I will tell the hon. member one thing: he will never be asked to lay a wreath on a cenotaph in my riding.

MR. H. A. WORTON (Wellington South: Mr. Chairman, I should like to make a comment on this matter. I had the same opportunity on last Armistice Day and I 'phoned down here. I was never asked anything about it, nor was I given the wreath. I did not expect it, but I was never consulted, or given the opportunity to say to which organization it should go.

MR. LAVERGNE: Mr. Chairman, wreaths have come into my riding, and have gone to the various Legion Branches, and never in any instance were they sent out on behalf of myself, nor anyone else, as a member of the Provincial Parliament; they were sent out from the department here. There are many instances in which these wreaths were laid in the various municipalities, by the mother of a soldier or of some service man who had given his life for his country, and it went directly to them, so I would probably be in the same position as the hon. member for York South, if I wanted to take exception to it. The hon. member for York South always starts out by saying, "This is highly commendable," but by the time he finishes with it, he has dragged it so far into the mud, that nobody wants to get down into the mud with him.

THE CHAIRMAN: Order.

MR. YAREMKO: I would like to ask a question of the hon. member for York South. Several times he has used the expression, "Cheap seats", and I would like to ask from what he is quoting.

MR. MacDONALD: One of the veteran newspaper men in this province wrote, following the discussion on Doctor van Nostrand's letter, commenting on the abusive interjection of the Minister of Planning and Development—that interjection which has not yet been withdrawn by the Minister. The newspapermen at that time referred to the comment as coming from one of the government's "cheap seats".

THE CHAIRMAN: Let us get this onto the proper level.

Vote 1,701 agreed to.

On vote 1,702:

MR. WHICHER: I see an amount there of \$1,610,000. Is that the amount which, generally speaking, is on a 50/50 basis, the municipality paying 50 per cent. and the province 50 per cent.?

HON. MR. CECILE: In this, Mr. Chairman, there is an annual grant of \$85,000 to Children's Aid Societies, and grants to aid municipalities amounted to \$1,400,000 in 1955, and will amount to \$1,610,00 in this present year. This says:

Services, expenses, grants and so forth, under the Child Welfare Act, 1954,

and includes "Annual Grants to Children's Aid Societies, \$85,000".

Votes 1,702 to 1,704 inclusive agreed to.

On vote 1,705:

MR. OLIVER: On 1,705, Mr. Chairman: if my arithmetic is correct, the amount for old age assistance is \$465,000 less than it was last year. What is the reason for the lesser amounts? Are there a less number being brought into that category?

HON. MR. CECILE: That is right.

MR. OLIVER: How many less?

HON. MR. CECILE: I might say to the hon. leader of the Opposition, that the figures I have here show that from month to month it has been dropping.

July, 22,166.

August, 22,144.

September, 22,164.

In October, it is up to 21,988, and then it goes down in November to 21,968, December, 21,901; January, 21,834, and in February it was down to 21,790. It is going down all the time.

Apparently there is a certain number who have gone into the security group, and others perhaps have found their economic conditions improving, or perhaps more opportunities for employment, and more resources, and then have not been so many applications for it.

MR. OLIVER: There are some coming on, of course.

HON. MR. CECILE: Apparently there are not very many coming on.

HON. MR. FROST: Due to the prosperity, brought about by this government.

MR. WHICHER: May I ask how much the hon. Minister figures this extra \$20 will cost the province in the next few years?

MR. OLIVER: A couple of thousand dollars?

HON. MR. CECILE: It is pretty hard to say that.

MR. WHICHER: Surely the hon. Minister can get that information.

MR. LAVERGNE: Why does not the hon. member wait for the answer?

THE CHAIRMAN: Order.

MR. LAVERGNE: The hon. member gave the answer himself.

MR. OLIVER: One pretty nearly has to.

THE CHAIRMAN: Order.

HON. MR. CECILE: I would say between \$25,000 and \$30,000 a month.

MR. OLIVER: That is not bad.

MR. MacDONALD: Mr. Chairman, let us take a look at this. It has me "buffaloed" for the moment. Does the hon. Minister mean increases, or the total amount?

HON. MR. CECILE: I would say it is the total amount.

MR. MacDONALD: \$25,000 or \$30,000 per month, means over \$300,000 a year. We are now paying at the rate of \$100,000 a year. I do not see how you can get over the \$300,000 a year.

There was \$100,000 voted for a zoo in Toronto and that is precisely what is paid for our old-age supplement.

MR. J. A. MALONEY (Renfrew South): That is where the hon. member ought to be.

HON. MR. FROST: Do not get all the "kids" against you, too.

MR. THOMAS (Oshawa): In regard to "Allowance for Blind Persons": I presume that is paid by the federal government?

HON. MR. CECILE: 75 per cent.

MR. OLIVER: Mr. Chairman, I want to ask the hon. Minister a question relating to the old-age assistance vote. I think the hon. members of the Legislature will agree there is nothing more troublesome to a member of this House than to receive a number of letters every week saying that such-and-such recipient of old-age assistance has been receiving more than he apparently should, and, therefore, was cut off, and obliged to pay it back over a month or a year.

HON. MR. FROST: That is a federal regulation.

MR. OLIVER: I know exactly what it is, Mr. Prime Minister. It is not necessary to tell me. I want to find out from the hon. Minister how many cases there are in the province, where he finds the aged have been overpaid. That information should be available.

HON. MR. CECILE: I can get the figures for the hon. leader of the Opposition. I must confess I have not it with me.

MR. OLIVER: Will you get it for me?

HON. MR. CECILE: Yes.

MR. MacDONALD: I think the figure is greatly exaggerated, because from the figures I have, as far as the federal government is concerned, it has gone up by \$70,000, which works out at about \$5,165 per month, based on a figure of approximately \$150,000.

MR. OLIVER: The hon. member is assuming they are going to raise it to the maximum.

MR. MacDONALD: I am giving the hon. Minister every advantage, and using a most liberal figure.

HON. MR. CECILE: I was citing a figure of the gross amount. The hon. member is citing the net amount.

MR. MacDONALD: \$100,000 then, and \$150,000 now, makes \$250,000.

Vote 1,705 agreed to.

On vote 1,706:

MR. WARDROPE: Mr. Chairman, may I rise for a moment to pay a little compliment to the hon. Minister on his statement. I am speaking now on vote 1,707, "Homes for the Aged".

During the past year, we have pioneered a lovely home for the aged in Port Arthur, which will house some 125 elderly people, and I wish to give the hon. Minister credit for that, and to thank him very gratefully on behalf of our senior citizens, and the city of Port Arthur for his contribution. I think there is a great deal of credit due the hon. Minister today, and I think it is about time, because he has been hearing nothing but criticism all evening.

There is one other thing I want to mention, Mr. Chairman, and upon which I wish to congratulate the hon. Minister. I am personally heading the Moose Lodge Committee in the city of Port Arthur, which is building what we call the "Golden Age Home", which will accommodate another 40 or 50 of our senior citizens. The hon. Minister's department is assisting us in this venture as well. To that project, the government is contributing 50 per cent. I wish to thank the hon. Minister and his department and the officials for the fine job they are doing for us.

MR. THOMAS (Oshawa): Mr. Chairman, the hon. member for Port Arthur said the hon. Minister had been

criticized all evening. That is not true. We are not criticizing the hon. Minister. We are criticizing regulations.

Vote 1,707 agreed to.

On vote 1,708:

MR. GORDON: On Vote 1,708, Mr. Chairman "Rehabilitation Services," I wonder if we could have something about that. It is something new this year, I think this is the first year we have had this particular item.

HON. MR. CECILE: Mr. Chairman, as the hon. member for Brantford has well said, it is a new field. We do not know where it is going to lead us, but we hope it will provide substantial aid. It may have escaped the attention of the hon. members, but in my remarks I have given as an example, the city of Windsor, which started in this field, and where a good job is already being done. I also stated that it is a matter of co-operation between members of the medical profession, the different service clubs, and other societies, and the governments of Canada and of Ontario, all forming one large, co-operative unit. I hope we will have something very interesting to say next year about the workings of it, but at the present time, I must say it is a brand new "baby." Let us hope it will walk properly, and lead to something good for those who might be afflicted.

MR. GORDON: Mr. Chairman, may I ask another question? Does the federal government enter into this at all?

HON. MR. CECILE: They enter with us on the basis of 50 per cent.

MR. GORDON: They pay 50 per cent. on it?

HON. MR. CECILE: Yes, vocational and administrative. There is only one other thing I might say, with all due respect to the hon. member for Bruce, and again I may say something

that might not be pleasant to his ears. In regard to the prosthetic appliances which represent the costly part of this, the federal government has so far refused to come in. So we have had to deal with the municipalities. However, I trust with some effort on the part of myself, and the hon. member across the way, they may yet come in, and share in this very expensive item.

MR. GORDON: In connection with the appliances the hon. Minister mentioned, may I say I have had a great deal to do in helping citizens in my riding in that respect, and I would like to compliment the department upon what it has done. I am sorry the federal government has not entered into it, so it can be enlarged, because it is a wonderful field into which the department has gone.

MR. MacDONALD: Mr. Chairman, I would like to add a word of commendation, so that the hon. Minister can go home in a blaze of glory, and the hon. member for Port Arthur can also be happy. I think that until we included the Rehabilitation Services, we had a serious lack in our programme, because if hon. members will stop and consider for a moment, if there is a disabled person who is capable of rehabilitation to give him an allowance, and not give him opportunities for rehabilitation, may actually be a disservice to him, because if an allowance is provided he must try to eke out an existence on that, rather than concentrating on trying to rehabilitate what disability he has, so he can get back, and become active and productive again, and have all the dignity of a person who is living a more or less normal life. Prior to the establishment of this service, I think we had only a half—and maybe the wrong half—of the programme coming first. I think the important thing for these people who happen to have a disability, is to try and help them to overcome their disability, and to re-establish their faith in themselves so they can make their way alone in life, and pull

their own weight, so to speak. With these rehabilitation services in there, together with the pension, I think we have the programme which is really headed in the right direction, and I am quite confident the hon. Minister is going to come back with a report next year, as far as that is concerned, which will show a good step forward.

MR. GORDON: Mr. Chairman, I think I should mention a case in connection with which we were speaking, prosthetic appliances. There was a man in my riding who had an artificial leg. He was gainfully employed, he had a wife and five children, and was buying his home. His leg became quite useless, and unless he could secure a new one, he would have been unable to carry on his employment. But the poor chap had no money, and it was going to cost over \$500 for the new leg. So a committee came to me, to see if the government could do anything about it, because, if someone was not able to help, the man was going to be on Welfare, and would be a charge upon the municipality. I came to the department, and found that if the municipality would accept 50 per cent. of the cost, the department would accept the other 50 per cent. That arrangement was made, and the limb cost much less than \$500 because the government had connections through which it could buy a little cheaper, and the man was supplied with a new limb. He is now following his employment steadily, working every day, and I must say that is a particularly fine service, for otherwise, had it not been done, this man would not be working today, but would be a charge on the municipality.

Votes 1,708 to 1,710 inclusive agreed to.

MR. OLIVER: Mr. Chairman, before we leave the Estimates of the Department of Welfare, I want to say that, irrespective of all that we may have said in criticism of the government's policy in relation to the various items which come under this department, that

I have always found—and I believe that this is true of all hon. members of the Legislature—that the staff of the Department of Welfare has been most co-operative, and most willing to assist. I feel I would be doing less than I should do, if I did not make that statement to the House, and particularly, to those in the civil service.

MR. MacDONALD: Mr. Chairman, I would like to echo those sentiments. I think I can put it in these terms, and not be considered to be disparaging other departments, when I say that certainly there is no department from which I have been able to get more complete and more cordial co-operation.

HON. MR. FROST: That is very good—

MR. MacDONALD: Do not let the hon. Prime Minister spoil it.

HON. MR. FROST: That is very good for a government which is “riddled with patronage”.

MR. MacDONALD: The hon. Prime Minister almost spoiled it, but as he smiled, he did not.

HON. MR. FROST: Mr. Chairman, that completes the Welfare Estimates. I would like to leave the Opposition in a happier frame of mind. I was looking at the Estimates, and I see here “Old-Age Assistance”, about \$6,800,000, and then “Homes for the Aged Branch”, another \$5,700,000, making a total of \$12½ million in that field alone for the aged people of this province. I would say to hon. members opposite that is a very good looking statement.

SUPPLEMENTARY ESTIMATES

Votes 167 to 172 inclusive agreed to.

On vote 173:

MR. MacDONALD: May I ask, is that for capital or current?

HON. MR. PORTER: Capital, Mr. Chairman. Everything in the Highway Reserve Account is for capital.

MR. MacDONALD: Oh.

HON. MR. PORTER: Yes, that is right.

Vote 173 agreed to.

On vote 174:

MR. WHICHER: I hope all hon. members will look at Vote 174.

HON. MR. FROST: Is that the one about the zoo?

MR. WHICHER: Yes.

HON. MR. FROST: Mr. Chairman, I take a great deal of pride in that particular item. We have just finished voting \$12½ million for the aged people of this province, in two votes. There are other votes as well, but at least in two votes there were \$12½ million. Now I think it is a fine thing to vote \$100,000 for the children of this city, and of Ontario, who come into the Gardens here in the city. I think it is a fine thing and is very worthy of this government and this Legislature to pass that vote for the children of this province.

MR. WHICHER: Mr. Chairman, I wish to associate myself with those remarks, and the only thing I can say is that I wish the hon. Prime Minister would give a little more to the old people, so that they, too, could go and enjoy the zoo.

HON. MR. FROST: I like to see the young people grow up to be good “Tories”.

MR. THOMAS (Oshawa): It is nice to know that the government is going to look after our brothers and sisters of a lesser breed.

Vote 175 agreed to.

Hon. Mr. Frost moves the Committee rise and report it has come to certain resolutions.

Motion agreed to.

The House resumed, Mr. Speaker in the Chair.

MR. J. F. EDWARDS (Perth) : Mr. Speaker, the Committee of Supply begs to report it has come to certain resolutions, and asks leave to sit again.

Report agreed to.

HON. MR. FROST : In moving the adjournment of the House, hon. members may remember that to-morrow the House will resume at 1 o'clock, and the

Health Committee will meet at 9.30. We shall proceed with any matters on the Order Paper. I would like to clear off the Order Paper somewhat. Then we will proceed with Estimates of the Department of Municipal Affairs.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10.30 of the clock p.m.



Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Friday, March 23, 1956

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

FRIDAY, MARCH 23, 1956

1 O'CLOCK, P.M.

And the House having met.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

CLERK OF THE HOUSE: Mr. R. E. Sutton, from the Standing Committee on Lands and Forests, presented the committee's report and moved its adoption.

Your committee recommends that the following Bill be not reported:

Bill No. 52, An Act to amend The Forest Fires Prevention Act.

(signed) R. E. SUTTON,
Chairman

Motion agreed to.

MR. O. F. VILLENEUVE (Glen-garry): Mr. Speaker, I beg leave to present the minutes of the Standing Committee on Game and Fish, together with the representations made to the committee and move that they be printed as an appendix to the journals of the Legislature.

Motion agreed to.

CLERK OF THE HOUSE: Mr. J. W. Spooner from the Committee on Mining presented the committee's final report which was read as follows and adopted:

The final meeting of the committee was held in Room 1302 of the Whitney

Block with the following members present: Messrs. Beckett, Belisle, Brandon, Elliott, Herbert, Janes, Laverne, MacDonald, Mackenzie, Monaghan, Noden, Sandercock, Spooner and Sutton.

The following resolution was unanimously adopted:

Moved by Mr. Janes and seconded by Mr. Gisborn, that this committee expresses confidence in the efficiency of the inspection branch of The Department of Mines, and recommends their continued diligence and devotion towards those engaged in the mining industry in this province.

The committee further urges that the attention of all persons engaged in the mining industry be drawn to the facilities of The Department of Mines, to be available in the fullest confidence, for the submission of any suggestions or recommendations for the development of safety methods or practices in mining operations.

The committee strongly recommends greater labour-management co-operation in the study, as well as the development and maintenance, of safety in mines.

Motion agreed to.

MR. SPEAKER: Motions.

Introduction of Bills.

Orders of the day.

HON. L. M. FROST (Prime Minister): Mr. Speaker, there are a number of Bills which I would like to advance, with a view to tidying up the Order paper a little. If there are points which hon. members would like to

raise, or Bills which they would wish held over, I would be very glad to do so. If they feel there should be further consideration, I will hold them until Monday. In the meantime, I will call the Bills in order.

THE MOTHERS' ALLOWANCES ACT, 1952

Hon. L. P. Cecile moves second reading of Bill No. 74, "An Act to amend The Mothers' Allowances Act, 1952."

Motion agreed to; second reading of the Bill.

THE MARRIAGE ACT

HON. MR. FROST: I will hold that Bill as there seems to be an offer of some relief to our Indian citizens, in that they should accept the benevolence of governments and others. Being a chief of a tribe, I should like to hold that over.

HON. G. H. DUNBAR (Provincial Secretary): The Indians were in my office. They have never written to me, stating any objections. There is nothing in any correspondence, as to the Indians objecting to their not being under The Marriage Act. Nothing whatever.

HON. MR. FROST: We will hold it over.

MR. H. C. NIXON (Brant): Mr. Speaker, the hon. Minister read the brief which they left with me, and which I sent to him.

HON. MR. DUNBAR: Yes, Mr. Speaker, and the hon. member read the brief that I gave back to him, from our officials, saying they were entirely wrong.

MR. NIXON: I do not think so.

HON. MR. DUNBAR: If the hon. member wants a debate on it now, let him go ahead.

MR. NIXON: I will debate it at any time.

HON. MR. DUNBAR: They were in my office with representatives of The Department of Indian Affairs, and agreed to it. I would like to debate it with the hon. member.

HON. MR. FROST: No tribal warfare, please.

THE MUNICIPAL SUBSIDIES ACT

Hon. W. A. Goodfellow moves second reading of Bill No. 107, "An Act to amend The Municipal Subsidies Adjustment Act, 1953."

Motion agreed to; second reading of the Bill.

THE WORKMEN'S COMPENSATION ACT

Hon. C. Daley moves second reading of Bill No. 111, "An Act to amend The Workmen's Compensation Act."

Motion agreed to; second reading of the Bill.

THE ONTARIO PARKS BOARD ACT

MR. F. R. OLIVER (Leader of the Opposition): We wish that to be held over.

HON. MR. FROST: Very well, hold it over.

THE MEDICAL ACT

Hon. M. Phillips moves second reading of Bill No. 119, "An Act to amend The Medical Act."

Motion agreed to; second reading of the Bill.

THE HIGHWAY TRAFFIC ACT

Hon. J. N. Allan moves second reading of Bill No. 120, "An Act to amend The Highway Traffic Act."

Motion agreed to; second reading of the Bill.

THE ONTARIO MUNICIPAL
BOARD ACT

Hon. Mr. Goodfellow moves second reading of Bill No. 121, "An Act to amend The Ontario Municipal Board Act."

Motion agreed to; second reading of the Bill.

THE ONTARIO FUEL BOARD
ACT

Hon. D. Porter moves second reading of Bill No. 124, "An Act to amend The Ontario Fuel Board Act, 1954."

Motion agreed to; second reading of the Bill.

THE TILE DRAINAGE ACT

Hon. Mr. Porter moves second reading of Bill No. 125, "An Act to amend The Tile Drainage Act."

Motion agreed to; second reading of the Bill.

MOTOR FUEL TAX ACT

Hon. Mr. Porter moves second reading of Bill No. 126, "An Act to impose a tax on the purchasers of fuel, other than gasoline, for use in motor vehicles."

Motion agreed to; second reading of the Bill.

THE GASOLINE TAX ACT

Hon. Mr. Porter moves second reading of Bill No. 127, "An Act to amend The Gasoline Tax Act."

Motion agreed to; second reading of the Bill.

THE LINE FENCES ACT

Hon. Mr. Goodfellow moves second reading of Bill No. 128, "An Act to amend The Line Fences Act."

Motion agreed to; second reading of the Bill.

THE BURLINGTON BEACH ACT

Hon. Mr. Goodfellow moves second reading of Bill No. 129, "An Act to annex Burlington Beach to the city of Hamilton."

Motion agreed to; second reading of the Bill.

THE CHILD WELFARE ACT

Hon. L. P. Cecile moves second reading of Bill No. 131, "An Act to amend The Child Welfare Act, 1954."

Motion agreed to; second reading of the Bill.

THE CHILD WELFARE ACT

Hon. Mr. Cecile moves second reading of Bill No. 134, "An Act to amend The Child Welfare Act, 1954."

Motion agreed to; second reading of the Bill.

THE FIRE MARSHAL'S ACT

Hon. A. K. Roberts moves second reading of Bill No. 136, "An Act to amend The Fire Marshal's Act."

Motion agreed to; second reading of the Bill.

THE LIQUOR LICENCE ACT

Hon. G. H. Dunbar moves second reading of Bill No. 137, "An Act to amend The Liquor Licence Act."

Motion agreed to; second reading of the Bill.

THE PLANNING ACT

Hon. Mr. Nickle moves second reading of Bill No. 138, "An Act to amend The Planning Act, 1955."

Motion agreed to; second reading of the Bill.

THE PUBLIC COMMERCIAL VEHICLES ACT

Hon. Mr. Allan moves second reading of Bill No. 139, "An Act to amend The Public Commercial Vehicles Act."

Motion agreed to; second reading of the Bill.

THE HIGHWAY IMPROVEMENT ACT

Hon. Mr. Allan moves second reading of Bill No. 140, "An Act to amend The Highway Improvement Act."

Motion agreed to; second reading of the Bill.

Hon. Mr. Frost moves that Mr. Speaker do now leave the chair, and the House resolve itself into the Committee of the Whole.

Motion agreed to.

House in committee; Mr. Edwards in the chair.

THE BEECHWOOD CEMETERY ACT

House in committee on Bill No. 27, "An Act respecting the Beechwood Cemetery Company of the city of Ottawa."

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. 27 reported.

COUNTY OF RENFREW ACT

House in committee on Bill No. 39, "An Act respecting the county of Renfrew."

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. 39 reported.

CITY OF SAULT STE. MARIE ACT

House in committee on Bill No. 8, "An Act respecting the city of Sault Ste. Marie."

Sections 1 to 13, inclusive, agreed to.

Schedule agreed to.

Preamble agreed to.

Bill No. 8 reported.

CITY OF CHATHAM ACT

House in committee on Bill No. 1, "An Act respecting the city of Chatham."

Sections 1 to 7, inclusive, agreed to.

Preamble agreed to.

Bill No. 1 reported.

TOWNSHIP OF NORTH YORK ACT

House in committee on Bill No. 5, "An Act respecting the township of North York."

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. 5 reported.

CITY OF STRATFORD ACT

House in committee on Bill No. 17, "An Act respecting the city of Stratford."

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. 17 reported.

TOWN OF CHELMSFORD ACT

House in committee on Bill No. 33, "An Act respecting the town of Chelmsford (1)."

Sections 1 to 4, inclusive, agreed to.

Preamble agreed to.

Schedule agreed to.

Bill No. 33 reported.

TOWN OF CHELMSFORD ACT

House in committee on Bill No. 34, "An Act respecting the town of Chelmsford (2)."

Sections 1 to 7, inclusive, agreed to.

Schedules A to D, inclusive, agreed to.

Preamble agreed to.

Bill No. 34 reported.

CHARTERED ACCOUNTANTS OF ONTARIO

House in committee on Bill No. 118, "An Act to reconstitute the chartered accountants of Ontario."

Sections 1 to 4, inclusive, agreed to.

On section 5:

MR. H. C. NIXON (Brant): Mr. Chairman, may I ask, has this Bill been referred to a committee?

HON. L. M. FROST (Prime Minister): Yes. May I suggest that the hon. member see the hon. member for York-Scarborough (Mr. Sutton) about that?

MR. NIXON: I would suggest the House has not heard a great deal about the Bill.

HON. MR. FROST: Has this Bill been referred to a committee?

MR. R. E. SUTTON (York-Scarborough): Yes, and it was approved, Mr. Prime Minister.

Sections 5 to 18, inclusive, agreed to.
Bill No. 118 reported.

RESOLUTIONS

Hon. Mr. Frost, in the absence of hon. Mr. Porter, moves:

THAT every purchaser shall pay to the Treasurer of Ontario a tax at the rate of 11 cents per imperial gallon on all fuel received by him,
and

THAT every registrant shall pay to the Treasurer of Ontario a tax at the rate of 11 cents per imperial gallon on all fuel used by him to generate power for the propulsion of a motor vehicle,

as provided by Bill No. 126, "An Act to impose a tax on the purchasers of fuel, other than gasoline, for use in motor vehicles."

Resolution agreed to.

THE MUNICIPAL ACT

House in committee on Bill No. 130, "An Act to amend The Municipal Act."

MR. OLIVER: Was this Bill referred to a committee?

HON. MR. GOODFELLOW: Yes.
Sections 1 to 14, inclusive, agreed to.

On section 15:

MR. T. PRYDE (Huron): Mr. Chairman, on section 15, might I say a word on this subject of licencing of trailers. This is a subject which has created quite a bit of discussion in the municipalities for a number of years, and I believe this amendment to The Municipal Act will, in part, take care of the situation, more particularly in respect to taxation.

Whether we like it or not, trailers are becoming a very favourite mode of dwelling, and they are absolutely necessary in our way of life, because so many workmen move from place to place, and in this way they can keep their families together, particularly on construction jobs. The same may be said for members of the armed services, and so on and so forth.

The reason I am particularly interested in the matter is in my own riding, in recent years, a plant has been established for the manufacture of what are now known as "mobile homes" and they are very much concerned about this whole matter. They are very, very anxious to see that these trailer parks are properly organized and conducted so they will, in the first place, pay their fair share of taxation, and, in the second, comply with all health rules, and so forth.

Last fall, I was privileged to go to the state of Michigan and see a number of these parks in operation, and I would urge this amendment to the Act not be considered final, but there should be some consideration given to introducing legislation which will control the operation of these trailer parks.

We found in Michigan, in a great many instances, a very bad situation had

developed, and it is much easier to correct the situation before it gets out of hand, than afterwards.

So, Mr. Chairman, I trust the hon. Minister of Municipal Affairs (Mr. Goodfellow) will give this matter further consideration, so that, at the next session of the Legislature, we may have further legislation introduced, dealing with this particular matter.

Sections 15 to 22, inclusive, agreed to.
Bill No. 130 reported.

THE ASSESSMENT ACT

House in committee on Bill No. 88, "An Act to amend The Assessment Act."

Sections 1 to 24, inclusive, agreed to.
Bill No. 88 reported.

Hon. Mr. Frost moves that the committee rise and report certain Bills without amendment, and a resolution.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

MR. J. F. EDWARDS (Perth): Mr. Speaker, the Committee of the Whole House begs to report concurrence in one resolution, and certain Bills without amendment, and asks leave to sit again.

Report agreed to.

SOCIETY OF INTERIOR DECORATORS OF ONTARIO

Mr. A. H. Cowling moves second reading of Bill No. 24, "An Act respecting the Society of Interior Decorators of Ontario."

He said: Mr. Speaker, in moving second reading of Bill No. 24, I would like to tell the House, that in the Committee of the Whole I intend to move that section 10 of the Bill be deleted.

Motion agreed to; second reading of the Bill.

The House, upon Order, resolves itself into Committee of Supply.

ESTIMATES, DEPARTMENT OF MUNICIPAL AFFAIRS

HON. W. A. GOODFELLOW (Minister of Municipal Affairs): Mr. Chairman, before considering the Estimates of The Department of Municipal Affairs, I feel I should make a few remarks, and, since it is Friday afternoon, I will endeavour to be brief.

This is a new departure for me, as this is the first opportunity I have had to present the Estimates of this department. I want first to pay tribute to my predecessor, the hon. Provincial Secretary (Mr. Dunbar), upon his experience, having served as Minister of Municipal Affairs for 12 of the 20 years the department has been in existence.

I also want to pay tribute to him for the assistance he has given me, as I am always willing to receive advice. I am always seeking advice, because I find that no one ever finds all the answers to everything, and with the hon. Provincial Secretary's experience, I have consulted him frequently during the past few months.

I want also to pay tribute to a very fine civil servant. When I assumed this portfolio last August, I found that the Deputy Minister of Municipal Affairs would reach retirement age on November 1. Realizing his vast knowledge of the department, from his many years as an official in that department, and realizing the assistance he could be to me in order that I might become conversant with the operation of the department, I invited him to accept an extension of service for a period of time.

Unfortunately, Mr. Orr had a heart attack, from which he partially recovered, sufficiently so as to enable him to assume his duties on January 1, but I regret now to inform the House that he will be again confined to hospital for a period of 8 weeks, and "Bill" Orr will not be continuing as Deputy Minister of Municipal Affairs, on the advice of his doctor.

I feel he has made a great contribution to this department, and to the civil

service as a whole, as one who was approachable and very popular, and regardless of the fact that he might have had arguments with people from time to time, every one accepted them in good spirit.

As I said, The Department of Municipal Affairs was formed 20 years ago — 21 years this June — in order to supervise the municipalities which were encountering financial difficulty, and it has developed from that time until the present, with the duties and responsibilities of the department having increased greatly.

It is no longer necessary, in the strict sense of the word, to supervise municipalities, but the municipalities, quite rightly, are looking for assistance and advice in respect to the many matters which come to their attention, in the administration of their municipalities, and it is the duty of the provincial Department of Municipal Affairs to assist them in every way possible.

Mr. Chairman, I do want to make it clear that it is not the attitude of the officials of The Department of Municipal Affairs to be arbitrary, in any sense of the word, but it is their wish and desire to assist the municipalities within the Acts and regulations which are provided, through this Legislature, to guide the affairs of the municipalities in this province.

Mr. Chairman, I believe that since it is the duty of this Legislature to pass legislation which guides the municipalities, we should consult freely with the municipalities with respect to improvements, revisions and amendments to the Acts, from time to time, to bring them in line with the present-day needs of the municipalities. It will be one of the chief matters of concern, as far as I am concerned, to consult the municipalities freely, and to try to improve our legislation in order that we will have the best possible legislation to guide municipalities in their day-to-day operations.

I believe it would be necessary, in the first place, to have a serious look at The Assessment Act. I have found, in the short time I have been Minister,

there are many sections in The Assessment Act which have been in the Statutes a long time, and possibly they require observation at this time, in order to bring them up to present-day needs. That is one reason why we appointed an advisory committee to the Minister of Municipal Affairs.

In order that there may be no misunderstanding with respect to the work this committee is doing, I want to make it clear that it is an advisory committee to which matters will be referred by the Minister, for its consideration. This committee, under the chairmanship of the hon. member for York West (Mr. Brandon), and which is comprised of municipal people who have had many long years of service as municipal officials, I believe, can make a contribution to the municipalities of this province by considering matters which are referred to it for its attention.

MR. F. R. OLIVER (Leader of the Opposition): May I ask on that point, is this committee to be charged with the responsibility of the revision of the Municipal and Assessment Acts?

HON. MR. GOODFELLOW: Mr. Chairman, I might say that it would be my thought that this committee should examine into The Assessment Act, and it is possible, in order to assist the officials of The Department of Municipal Affairs, it would seem in order to call in outstanding assessors in the province of Ontario to work with our officials and possibly with this committee in order to consider a revision of The Assessment Act.

We are considering the introduction next year of a biennial assessment which would coincide with the 2-year terms for councils which a great many of the municipalities of the province have at the present time.

We feel with the provision in The Assessment Act for making new assessments during the year that a yearly assessment is entirely unnecessary, especially in the larger municipalities in this province. We feel that a better assessment will be secured at less administra-

tive cost to the municipalities if we were to introduce a biennial assessment.

It will be realized that, in itself, will require a great many amendments to the various Acts in connection with municipal government. Therefore, it would seem timely that we should consider a complete revision of The Assessment Act to coincide with the proposal to introduce biennial assessments next year.

In connection with the advisory committee which has now been holding meetings for several months, and as the chairman, the hon. member for York West (Mr. Brandon) mentioned when speaking in the House, I might point out a few of the matters on the agenda. This year, in February, one of the matters which was considered was the tabulation of municipal elections. I referred a delegation from the Periodical Press Association to it in order that this deputation might present their views. Also, there was the matter of assessment exemptions, which will be another matter they will be studying.

For some months we had an employee of the department selecting the various exemptions to assessment, which had accumulated through the years in the various municipalities in connection with various organizations. It may be interesting for this House to know that we find, not only in the Statutes but in private Bills, there are hundreds upon hundreds of exemptions to assessment which have been granted. It would seem that consideration should be given to the matter of exemptions from assessment.

Another matter which the committee considered was the assessment of bowling alleys. It has considered biennial assessments, and mandatory biennial municipal elections. It must be remembered, Mr. Chairman, that because a committee has given the matter due consideration and reported its findings, does not mean it would become government policy in any sense of the word, until the Minister can bring the matter forward to the Cabinet and, in turn, to the House. I would not want to have any misunderstanding in that respect.

MR. D. MacDONALD (York South): Has the government come to any decision on the bowling alley issue?

HON. MR. GOODFELLOW: That will be considered in the revised Assessment Act. In our own judgment, in connection with bowling alleys, they should be considered by local assessors, the same as pool rooms, or any other such establishment. I could mention many other matters, which the committee has considered, but I feel that the department, since it has worked closely with the municipalities should consult with officials of the municipalities, and call them in for advice and guidance.

As I said in the beginning, no one knows all the answers, especially to municipal problems, and after many long years in municipal life, I realize quite fully that there are many problems and many matters which require consideration. After some 10 years of absence from municipal life I found it very difficult to find a section in a certain Act referring to a certain matter.

As a matter of fact, as the Minister, I do not propose to become entangled in trying to find sections of Acts, and giving interpretations. I used to do that sort of thing, as clerk and treasurer of a municipality, but there are people today more competent to do that, and I can be carrying on other duties.

HON. MR. FROST: That is what some hon. members wanted me to do last night.

MR. A. J. CHILD (Wentworth): Mr. Chairman, may I ask the hon. Minister a question? Is anything being done by the committee as far as assessors continually putting back an assessment after there has been an appeal, and the appeal has been granted, to the property owner? Is anything being done to stop that practice?

HON. MR. GOODFELLOW: No, we have not done anything about that. I think it is something which does need attention.

Mr. Chairman, I might say that I have a dinner engagement at 6.30, 120 miles from here, and I want to be as brief as possible.

MR. MacDONALD: The Department of Lands and Forests will give you a plane.

HON. MR. GOODFELLOW: There has been a good deal of discussion in respect to the necessity for an equalization of assessment, and I am convinced that we should have an equalized assessment in this province. We have encouraged municipalities, by legislation and through the department, for a number of years to adopt a uniform equalized assessment, and I must say, under my predecessor great strides have been made in that respect. We have in this province at the present time all but 7 of the counties, and most of the cities have adopted the *Provincial Manual*, at least, they reassess according to the *Provincial Manual*.

However, as many hon. members of this House are aware, because they have reassessed according to the *Provincial Manual*, and have adhered to the point where they allow their assessment to remain at 100 per cent., they have penalized themselves with respect to school grants.

That, Mr. Chairman, is a situation which must be corrected, and I am advised by officials of the assessment branch that they believe, for provincial grant purposes, we would be able to accomplish a reassessment or revision of assessment, for provincial grant purposes, which would place the government in a position where it could pay school grants on an assessment basis more uniformly than they are at the present time. The Assessment Act provides:

The council of every county shall yearly, and not later than July 1, examine the assessment rolls for the preceding year of the different townships, towns and villages in the county, for the purpose of ascertaining whether the valuations of real

property and business assessment made by the assessors in each township, town or village bears just relation one to another, and may by by-law for the purpose of county rates, increase or decrease in any township, town or village, the aggregate valuations, adding, or deducting so much per cent. as may, in their opinion, be necessary to produce a just relation between them; but they shall not reduce the aggregate valuation for the whole county as made by the assessors.

We have found in counties, for school grant purposes, the municipalities have suggested to their local assessors that they should reduce their assessment. It is only natural they should do that, but if we were to adopt a provincial assessment for provincial purposes, I think it would be a great encouragement to the municipalities to assess according to the *Provincial Manual*, and, in that way, we would eventually have a uniform equalized assessment for all purposes.

As many hon. members are aware, in the western provinces they have always had a provincial assessment. The provincial government assesses the property in the western provinces, but I am not sure, after the many years municipal government has been established in the province of Ontario, that our municipalities would take kindly to a mandatory assessment at the provincial level.

I believe we can leave it in the hands of the local municipalities, and through guidance and assistance, and the adoption of a provincial assessment for grant purposes, we can eventually reach a point where we will have an equalized assessment for all purposes. Since this is based on municipal taxing assessment, in my opinion — and I have always felt that way as a municipal official, both elected and appointed — assessment is the most important part of municipal work.

I would like to make a few remarks in connection with the Ontario Municipal Board. This is, as you are aware, a semi-judicial board, but on the other hand it tries to settle the problems which

come to its attention, not in a mandatory way, nor in trying to force people to do things, but in trying to reason things out. I want to give you an example — and the hon. member for Halton (Mr. Hall) is very well acquainted with this particular problem.

An application was made last year by the town of Oakville to annex part of the township of Trafalgar. The Municipal Board had a hearing, and after giving the matter a great deal of consideration, it felt it would be advisable for these municipalities to get together on their own, in the first instance, to see if they at least could not lay the groundwork for a proper annexation in that area. In that area is also the town of Bronte, in one of the most rapidly-expanding areas of the province of Ontario, and it felt the town of Bronte should be taken into consideration, in any annexation between Oakville and the township of Trafalgar.

The chairman of the municipal board contacted the municipalities concerned, and they are holding meetings in order to try, in the first instance, to iron out many of the difficulties which they have encountered. I point that out because some people feel the Municipal Board is arbitrary. I want to say to you that we have in the chairman of the Ontario Municipal Board, in my opinion, one of the outstanding municipal men in the province of Ontario.

This province is very fortunate in having a solicitor of the calibre of Lorne Cumming, who is giving all his time and talents in this great work.

Mr. Chairman, this is very important work in the great development which is taking place in the province of Ontario at this time. I only wish I knew where there were some more Lorne Cummings.

I might say that the Ontario Municipal Board is celebrating this year — if you can call it a “celebration” — a half-century of operation. It was established by the Whitney government on June 1, 1906, and at that time it was called the “Ontario Railway and Municipal Board” and established under an Act

using that name. The first members of the board were James Leech, chairman; Mr. O. B. Ingram, vice-chairman, and H. H. Kipson as a member.

In the first place it dealt with matters concerning railways. At that time, in Ontario there were a great many railways, and those were the **chief duties** which were assigned to the “Railway and Municipal Board.”

That jurisdiction has extended, until it is interesting to note that in the very first Act the board was given powers in respect to municipal institutions, including the assessment by-law, a jurisdiction formerly exercised by a board of county judges, and the powers formerly exercised by the Lieutenant-Governor-in-Council, with respect to the setting of municipal boundaries, and the powers of the Lieutenant-Governor-in-Council respecting the approval and contravention of debenture by-laws.

Hon. members will realize the powers of the municipal board are not new. They were the original powers which were given to the board by an enactment of the Legislature in 1906.

In 1932, due to the great increase in the volume of work respecting municipalities, and the increasing volume of railway applications, the name of the board was changed to the “Ontario Municipal Board,” and in that same year, the board was given the duty of actual supervision of the affairs and operations of municipalities, a task that was subsequently transferred to The Department of Municipal Affairs when it was formed in 1935. In other words, the municipal board had jurisdiction over the municipalities prior to the establishment of this department in 1935.

During the years the board’s jurisdiction has been extended by numerous Acts to cover a great variety of subjects.

I shall make no attempt at this time to review the present responsibilities of the board, except to say we have 60 public general Acts, not to speak of a number of private Acts. However, a number of significant additions may be mentioned and the year in which such powers were added.

In many cases powers have been continued to extend administration regardless of the Party in power.

In 1908, power was granted to cure local irregularities and outstanding debentures, and supervision of all local telephone systems. Since then matters pertaining to telephones have been removed from the board and placed under the telephone authority.

1910: arbitration of claims for compensation under The Public Works Act and The Power Commission Act required by the commission or the Minister.

1912: provision of subdivision buildings under The City and Suburban Buildings Act.

1921: provision for power required for all land redirected or by-laws and amendments required.

1928: arbitration for claims for compensation under The Highway Improvement Act.

1933: granting of certificates required for the issue of public commercial vehicles and public vehicle licences.

They had that jurisdiction only until November 1, of last year, when the PCVs were handed over to the new highway transport board. It might be of interest to hon. members to know that in the last 10 months of last year the municipal board was dealing with PCV applications, in addition to all their other duties. They processed over 3,000 PCV applications, which are now within the jurisdiction of the highway transport board.

1934: power of assistance in the allocation of money by-laws after public hearings.

1935: approval of all proposed municipal capital expenditures made mandatory. This by the way is the test of any administration.

1946: approval of final plans of subdivisions when referred by minister under The Planning Act.

1947: by-laws from local committees of adjustment under The Planning Act.

1948: by-law of adjustments directed from local courts of revision.

1952: arbitration of claims under The St. Lawrence Development Act. By-laws for evaluations of provincial Hydro for purposes of The Municipal Tax Assistance Act.

1953: settlement of various municipal disputes under The Municipality of Metropolitan Toronto Act.

1954: transfer to Ontario Fuel Board former important duties under The Natural Gas Conservation Act. I mentioned the two transfers, that of the PCVs and also the telephones, which come under the telephone authority.

Mr. Chairman, I have some interesting figures here which break down the work last year of the municipal board.

They approve municipal expenditures in the amount of \$215 million. In 1935, the first year they approved capital expenditures, they only approved \$14 million, which gives you some conception of the growth and development of the province.

In addition to the PCV applications, which I mentioned, for a 10-month period last year, it dealt with 3,794 other types of applications. Approval of proposed capital expenditures of 1,541; restricted area by-laws, 765; applications referred by the hon. Minister of Planning and Development, under The Planning Act of 1953, by-laws from committees of adjustments, 91; arbitration as to compensation, 70; municipal arbitrations, 5; incorporations, resolutions, annexations, etc., 79; and assessment by-laws, 116.

That, Mr. Chairman, gives the House some conception of the work carried on by the Ontario Municipal Board. I feel it is perhaps as important a group as any constituted board, in any department of government in the province of Ontario, because it is an independent group which is dealing with applications, in connection with a great many matters entirely on their merits.

It can never be right for both parties, because there are always two sides to every story which is presented to it. It has to make decisions, but I am sure, in the short time I have administered it, I have had very few complaints in

respect of any of the orders which have been handed down by the Ontario Municipal Board.

With these remarks I will ask the House to consider my Estimates.

On vote 1,201:

MR. R. WHICHER (Bruce): Mr. Chairman, I do not intend to make my remarks too long this afternoon, but I do feel that on this very, very important problem something should be said. I saw the sheet of paper which has been given to all hon. members with all these figures, and so forth, showing the huge amount of money which has been given by this government to municipalities. One would think that all the municipalities in this province are quite happy.

The truth, of course, is that they are very, very unhappy, and municipal taxation has reached such a high point that, 10 years from now, I do not know what is going to happen.

Sources of revenue have been tapped by this government to pay for additional services they render, but the truth is that the municipalities still have to finance all their new obligations on the very same basis they have done in years gone by, that is, real estate.

I would like to point out, first of all, to this House that the municipalities are the direct responsibility of the provincial government. Under The British North America Act of 1867, the municipalities became creatures of the provincial government, and it is most unfair for any government hon. member to suggest this government is not responsible for the municipalities of this province. I think the hon. Prime Minister, in his statement — which has been repeated by our financial critic — in the speech he made on July 9, 1943, approached the situation very fairly. In that speech, which I wish all hon. members would digest thoroughly, he said:

There will be a sweeping revision of our whole real estate taxation so that the owning and improving of homes and farm lands which are the very foundation of our society will

not be discouraged by excessive taxation. As an initial step in that direction the provincial government will assume at least 50 per cent. of the school taxes now charged against real estate.

HON. MR. FROST: That is correct. That was done.

MR. WHICHER: The only "sweeping revision" which has been made, as far as real estate taxation within the past 12 years is concerned, is that it has quadrupled. Where an owner of a home in a municipality in this province previously paid \$50, he is now paying \$200, and if that is the "revision" about which the hon. Prime Minister was talking, he has been most successful.

HON. MR. FROST: That comes about by the inflation permitted by the federal government.

MR. WHICHER: The hon. Prime Minister asked me last night if I was a little prejudiced.

MR. MacDONALD: Was the hon. member in favour of price controls?

MR. WHICHER: I suggest if there is any one "prejudiced" in this House, it is the hon. Prime Minister.

HON. MR. PORTER: He is prejudiced in the right way.

MR. WHICHER: That is all right. The point is, Mr. Chairman, the responsibilities, as I have said, do belong to this government. They are not federal in any way, shape or form. It is most unjust when hon. members of government on the other side rise and try to blame restraining the growth of this great province on the federal government, and the fact that they have not entered into an agreement for giving money subsidies to the municipalities of this province.

I think the government during this session has given some good advice, if it would only follow it through. I was very interested in the hon. member for

York West (Mr. Brandon) saying in this House it would be a good thing if, over the entire province, we had one basis for assessing. I wish to go on record as saying I agree with that. I agree that there should be a manual printed, as The Department of Municipal Affairs now do, but in order to put any teeth in it, they will have to provide that everybody obeys the rules contained in the book. The book they now have is such that only some assessors use it. Then they cut down on it, and some do not even bother using it at all.

I would like to point out to the hon. Minister of Municipal Affairs (Mr. Goodfellow) that, although he has said he believes that in the future there will have to be a general overhauling of the assessment system in this province, when he had the opportunity the other day, and when the Bill was introduced whereby the pipe lines of this province would be assessed on an equal basis, this government did not have the courage to go ahead and follow that through.

HON. MR. GOODFELLOW: That is hardly right, because we looked into this matter of the schedules for pipe lines and we found the metropolitan yardstick was entirely different. The so-called "Grey formula" differs greatly from our *Provincial Manual*.

MR. WHICHER: When the hon. Minister looked into it the first time, when he had his Bills to present to the House, that is not what he found. It was only because Toronto made very strong representations — and I thought they gave fair representation. The point is the hon. Minister backed down.

If we are going to have a basic system of assessments in this province, somebody must control it, and if the hon. Minister has to start with pipe lines, start there. We have to start sometime because, at the present time, it is most unfair when some counties are assessed on a 50 per cent. basis, others on a 70 per cent. basis, and others get off lightly on a 100 per cent. basis. Something must be done.

I would like to say, in conversations I have had with the hon. member for York West, I have been impressed by suggestions he has given to the advisory committee on municipal affairs. I would like to suggest to the hon. Minister that this is a government-appointed body, and I think, with deference to him, a committee such as this should include men from small municipalities. All the problems of this great province are not in Metropolitan Toronto, or in some of the cities of 20,000 or 30,000 people. We have huge rural areas in this province and they all should have some representation on a committee such as this.

HON. MR. GOODFELLOW: We have one member.

MR. WHICHER: One out of 7.

HON. MR. GOODFELLOW: The county clerk and treasurer of Ontario County is very conversant with rural Ontario.

MR. WHICHER: There is one out of 7, I agree. I think it would be better if there was more representation from the smaller centres in this province.

MR. CHILD: From Warton?

MR. WHICHER: Not from Warton or from Hamilton either.

I wish to carry on with this, because I am very perturbed about the municipal financing in this province and I am sure every hon. member in this House is too, because, our real estate taxation has been going up practically every year. I bring to the attention of the House the fact that in our papers, whether they be weeklies or dailies, we see that all of the municipalities in this province are once again about to have to increase their mill rate for the year 1956.

They may be able to carry on for some time, but I want to ask the hon. members of this House, what about the year 1966? What about the year 1976? Sometime, there will have to be a new basis of taxation in this province. I think the hon. Minister of Municipal

Affairs would be well advised — I am sure he has the capabilities and I have always found him to be very fair — to talk to municipalities all he can, and try to devise some scheme so that the poor real estate operators are not going to have to keep carrying the burden for ever and ever.

HON. MR. FROST: May I ask the hon. member if he has consulted this factual chart?

MR. WHICHER: Yes, I have. I will mention this chart if the hon. Prime Minister would like me to. As a matter of fact, there is so much propaganda in it that I do not know whether or not to read it.

HON. MR. FROST: It is factual, prepared by the provincial auditor.

MR. WHICHER: Perhaps the figures are. Of course I might point out that I might just as well compare the defence expenditures of the federal government in Ottawa today, with the defence expenditures of the Bennett government some 20 years ago. It is no basis of comparison at all.

HON. MR. PORTER: The hon. member should look at the last column.

MR. CHILD: Where does the hon. member suggest we get the extra money for taxes?

MR. WHICHER: The federal government is giving \$50 million, and it will give more.

HON. MR. FROST: They have not given anything. That is the unfortunate part of it. Does the hon. member realize since 1943, the provincial contribution, in terms of mills, has gone up from 6.5 to 25.7 mills?

MR. WHICHER: I agree, and as far as the mill rate in any municipality is concerned, it does not mean a single thing. One must consider the basis of assessment.

HON. MR. FROST: Did the hon. member look at this? In 1943, the province was contributing 18 per cent. of the municipal costs. Last year they contributed 52.8 per cent. of municipal costs. That is a pretty good record.

MR. WHICHER: Does the hon. Prime Minister realize in 1943, \$100 million was collected in taxes in this province, and today that figure has reached \$430 million? If you wish to take it on a percentage basis, then instead of giving 52 per cent., the government should give 4 times what was given before, or 72 per cent.

HON. MR. FROST: I repeat we have done that. The hon. member might consult the fourth line. In 1943, \$19,897,486—about \$20 million. This year, \$185 million which is 10 times as much, not 4 times as much.

MR. WHICHER: I agree with those figures, but does the hon. Prime Minister realize that in 1943, the municipalities were spending on the same basis, and today they have to put up over \$185 million in municipal taxes? It is not what the municipalities are being given, it is what they are not being given.

HON. MR. FROST: I would like to point out to the hon. member that, in the meantime, the municipal subsidy has more than doubled. It is 2½ times as great.

MR. WHICHER: I agree with that, but I would say when you are a child you only have so much food, and as you get older you need more food. Things have changed in the last 15 years.

HON. MR. FROST: They have changed in the last 10 years.

MR. WHICHER: So consequently more must be given. Is the hon. Prime Minister suggesting the municipalities in this province are satisfied?

HON. MR. FROST: This government is never satisfied that it can not do better.

MR. WHICHER: This government never had a better chance to show they really mean business, when the federal government, out of the graciousness of its heart, gave an extra \$50 million.

HON. MR. PORTER: That is a silly statement.

MR. WHICHER: Out of the graciousness of its heart, the federal government gave an extra \$50 million or \$60 million. I suggest that should be given back to the municipalities.

HON. MR. FROST: The hon. member is willing to live off the crumbs from a rich man's table.

MR. WHICHER: I suggest to the hon. Prime Minister that the federal government has given a considerable amount, and the "crumbs" about which he is talking are those this province is giving to the municipalities. They are keeping the cake for themselves. Help those people out. What are they going to do in 10 years?

HON. MR. FROST: I will tell the hon. member what I have planned to do. If we had been successful in Ottawa in getting what was due this province, an extra \$100 million, imagine what a change that would make in this table. That is what we intended to do.

MR. WHICHER: If they got \$200 million, it would make a still bigger change. There has to be some basis, and I think this government did very well indeed.

Mr. Chairman, as the representative of a small town, where I had the honour to be mayor for 3 years, I would be negligent in my duty this afternoon if I did not attempt to speak for all the municipalities of this province and I defy any former municipal representative in this Assembly to rise and say his municipality is satisfied with the way it is being treated by this government.

MR. G. LAVERGNE (Russell): I will take that dare. If the hon. member said he would defy any member who represents a municipality to stand in this

House and say it is satisfied. I would like to tell the hon. member that we are just about as satisfied as anybody could be.

MR. WHICHER: The hon. member is easily satisfied.

THE CHAIRMAN: Order.

MR. LAVERGNE: Thank you, Mr. Chairman, if you can keep the hon. members in order for about two minutes. The hon. member for Bruce rises in his place and makes allusions of things which happened 2 or 3 years ago. Let the hon. member look back a little further, and then if he wants to rise and speak on any matter, I will then make a statement for my own municipality.

MR. WHICHER: You will have quite a time—

THE CHAIRMAN: Order.

MR. LAVERGNE: I will accept the hon. member's invitation any time. Underlying that—

MR. F. R. OLIVER (Leader of the Opposition): Mr. Chairman, I cannot allow the hon. member to go on. I will insist he has no right to interrupt the hon. member for Bruce (Mr. Whicher). He will have an opportunity to make a speech at a later date.

MR. LAVERGNE: Yes, but I think—

MR. OLIVER: Mr. Chairman, are you going to hit the table?

THE CHAIRMAN: I have hit it.

MR. OLIVER: Hit it harder.

MR. LAVERGNE: I want to tell the hon. leader of the Opposition—

MR. OLIVER: The hon. member for Russell will not tell me anything at this time. I suggest to the Chairman—

MR. YAREMKO: Who has the floor?

MR. OLIVER: I have it right now.

THE CHAIRMAN: Order.

MR. LAVERGNE: I have the floor.

MR. OLIVER: Well, how about letting me have it now?

THE CHAIRMAN: Order.

MR. LAVERGNE: Mr. Chairman, first I want to get to the point—

MR. WHICHER: Mr. Chairman, to carry on—

THE CHAIRMAN: Order.

HON. MR. DUNBAR: Who is leading the Opposition, anyway?

MR. WHICHER: In speaking of this propaganda sheet before us—it is too bad the hon. Minister—

HON. MR. FROST: I do not think it is fair to say that.

MR. WHICHER: I will never be unfair. I will withdraw that. I want to be just as fair as the hon. Prime Minister.

MR. MacDONALD: That gives you a great deal of leeway.

MR. WHICHER: I suggest he should have gone back to a previous government, and then, instead of boasting they gave 10 times the amount of school grants, he could have boasted they gave 20 times, and that would have made the sheet complete.

HON. MR. DUNBAR: Why not go back to the Ross government?

MR. WHICHER: I want to refer to one thing, to which I have already referred, in my speech in reply to the Speech from the Throne, and that is in relation to the unconditional grants. The largest item is \$12,750,000, and it is based on a sliding scale, according to population. I have said before—and I believe the hon. Minister listened to it, and perhaps he intends sometime to

do something about it—but, as I have said before, I wish to emphasize once more that it is entirely unfair that a municipality such as Metropolitan Toronto should receive \$4 per capita, while we in the villages and smaller towns in the provinces, only receive \$1.50. The point is, if we had more, we could provide more services.

I agree most emphatically, Mr. Chairman, that it costs more per capita to govern in the city of Toronto than in smaller places, but the only reason it costs more is because you have more to operate; you have better schools than we have; you have many things better than we, including zoos, and you have better hospitals. You have all that on a grand scale, whereas we, in the smaller municipalities, have not these lovely things, and, therefore, it does not cost as much to operate.

If this government would treat the smaller communities fairly, as far as these unconditional grants are concerned, we could attempt to have some of the better things in municipal life, and I think the small people in this province deserve them as much as they do in Metropolitan Toronto.

I know the hon. Prime Minister said the reason for this Act originally being on a sliding scale, was because of the increased expenses in large municipalities, as far as welfare and other things were concerned, which were greater than in the smaller communities. I suggest this Act was put through entirely unconditionally, and not specifically for welfare, and I repeat, Mr. Chairman, if we had only half the advantages they have in Toronto, the cost of government on a per capita basis would be nearly as great as it is in Toronto.

I further suggest The Unconditional Grants Act originally was put there as somewhat of a bribe to this great Metropolitan city—

HON. MR. GOODFELLOW: That is entirely wrong.

MR. A. H. COWLING (High Park): Can the hon. member prove that statement?

MR. WHICHER: Yes.

MR. COWLING: Would he like to comment on the fact that his leader and his Party voted for The Unconditional Grants Bill, and also for Bill No. 80?

HON. MR. FROST: They voted against Bill No. 80. They were not progressive enough to vote for it.

MR. NIXON: We voted for Bill No. 80.

HON. MR. FROST: I will get the record, and show that the hon. members in Opposition voted against Bill No. 80.

MR. WHICHER: In all deference to the hon. Toronto member, I am not trying to take one cent from him, but I am asking that we be treated on the same basis, and I emphasize that, because I think the fact that all the money which goes into the treasury of the city of Toronto comes from all the people of this great city, and I further emphasize the fact that the huge banks, which have their head offices in this city, pay taxes into the city treasury, and their main offices are here partially because we in the outlying districts buy insurance policies from these firms, and we bank in the little banks in Kincardine, or Sudbury, or wherever it may be, but the head offices are here, and Toronto receives by far the greater share of the taxes.

Therefore, I say to the hon. Minister, and say it most sincerely, without trying to cause any eruption whatsoever, that I do believe the smaller municipalities should get an equal \$4 grant per capita, the same as in Metropolitan Toronto.

HON. MR. GOODFELLOW: I have a few figures here, Mr. Chairman. The hon. member for Bruce pointed out that in his opinion there should be a uniform per capita unconditional grant. I have the figures for several municipalities here. I have one with a population of 1,728; if they budgeted at \$4, instead of the \$1.50 they are getting now, the additional unconditional

grant would pick up 70 per cent. of their present municipal levy; in other words, they would only have 30 per cent. of the present levy to pay out of local taxes.

Here is one with a population of 1,214; the municipal levy is \$3,333 and if paid \$2 per capita we would assimilate 90 per cent. of the local tax bill. Here is a little municipality which happens to be one which has struck me rather forcibly. The municipality has an assessment of \$141,000. Last year, the provincial grants for education, and highways, and the unconditional grant, amounted to \$14,931.63. The local residents raised by local taxes, \$8,768. In other words, this little municipality, assessed at \$141,000, is paid \$1.70 for every dollar it levied locally.

MR. WHICHER: Mr. Chairman, I know there are places like that in this province, but they are exceptions, and the hon. Minister has pointed them out, and I know they are correct. But there are hundreds and hundreds of municipalities which could be mentioned as examples the other way, and I am sure all hon. members of this House coming from rural constituencies will agree with me in that statement.

MR. A. J. CHILD (Wentworth): Most definitely not.

MR. WHICHER: That is all right, Mr. Chairman, the hon. member comes from a large municipality—

MR. CHILD: I have 4 townships, and our school grants are larger in the townships than in the city.

MR. WHICHER: And they should be greater, too, Mr. Chairman.

AN HON. MEMBER: Well, they are.

MR. WHICHER: They are, I agree, but the school grants were greater before The Unconditional Grants Act was ever thought of. This was a new Act; it came into being only 2 or 3 years ago, and the school grants have absolutely nothing whatever to do with it. I appreciate what the hon. Minister has said,

that there are localities in this province where, if they were brought up to \$4 per capita, they probably would not have any taxes to pay at all. But I suggest to him that if the province is re-assessed, they might still have taxes to pay, because I am sure their assessment must be very low indeed.

The truth is that the smaller municipalities need this money just as much as the larger ones.

MR. JOHN ROOT (Wellington-Dufferin): Mr. Chairman, I have been listening with considerable interest to what the hon. member for Bruce had to say regarding the position of the rural municipalities. We happen to be neighbours—I think I mentioned that the other night—and I think hon. members are quite aware of what I said the other night, when I pointed out that in 1939, the federal government took 51.2 per cent. of the tax dollar, the province 18.8 per cent. and the Canadian municipalities, 30 per cent. Last year, the federal government stepped up their tax revenue to 74.8 per cent., the provincial governments across Canada had dropped to 10.1 per cent. and the Canadian municipal governments have dropped to 15.1 per cent.

Then I went on to point out that in our own province in 1938-39, the federal government took out of every Ontario tax dollar, 52.1 per cent; that in 1954, the federal government, from the province of Ontario had increased its share to 80 per cent. Please note that is 5 per cent. more than was taken out of the tax dollar of any of the other provinces in Canada. The provincial government of Ontario in 1939 took 15 per cent., and the municipalities took 32 per cent.

Now the federal government, by increasing its share from about 52 per cent. to 80 per cent., has crowded the municipalities into a corner. The provincial share was 6.3 per cent. My own riding is rural, and out of that 6 per cent. of every tax dollar in Ontario, I pointed out that back in 1943, on the county roads, township roads and urban roads in my riding—and, incidentally,

the government of that day spent nothing on urban roads—we will see grants from the province of Ontario in the amount of \$221,109. Last year, from this government, the very same municipalities on the same roads received \$2,441,308.

MR. WHICHER: Mr. Chairman, may I ask the hon. member a question?

MR. ROOT: Certainly.

MR. WHICHER: Does the hon. member for Wellington-Dufferin agree that the municipalities in his riding are getting enough money under The Unconditional Grants Act?

MR. ROOT: The Unconditional Grants Act?

HON. MR. FROST: May I say, Mr. Chairman—

MR. WHICHER: Could the hon. member for Wellington-Dufferin answer that?

HON. MR. FROST: Certainly, I will answer that.

MR. WHICHER: I did not ask the hon. Prime Minister to answer it.

HON. MR. FROST: May I point out to the hon. member for Bruce that, of course, we are always doing better. We expect to do better. In 1954, only two years ago, we gave \$156 million, and this year \$30 million more—\$185 million, to be exact—and I venture to say that two years from now it will again be increased.

MR. WHICHER: Mr. Chairman, I want to thank the hon. member for Wellington-Dufferin for answering my question.

MR. ROOT: Mr. Chairman, may I say that when the Party of the hon. member for Bruce was in power, the municipalities got nothing from unconditional grants. Let him tell his friends in Ottawa, instead of blowing his top as he did last night, that we are not

asking them to give us anything; we just want them to give back what they have taken from us. They took 52 per cent. 12 years ago, and now they take 80 per cent.

THE CHAIRMAN: Order.

MR. ROOT: Mr. Chairman, in the rural way of life, if two hon. members had a joint pasture farm, and one of them moved in 80 head of cattle, and the farm would support only 100, would the hon. member think he would be getting a square deal? That is what happened to the tax dollar of Ontario. The federal government moved in and took 80 per cent. of it, and crowded the province and the municipalities to the rail. Let him be reasonable and we will answer all the questions he can ask.

Vote 119 agreed to.

On vote 120:

MR. ALLAN GROSSMAN (St. Andrew): Mr. Chairman, I am not going to labour this question, but I think it is not worthy of the hon. member for Bruce to try and play the small town against the big town.

MR. WHICHER: I am not, I just want to be even.

MR. GROSSMAN: Mr. Chairman, it is not all right to say you are not, and then go ahead and do it. As a matter of fact, it is an "old army game," in the United States and in Canada, to tell the rurals that the small towns are getting too much, and to tell the small towns that the big towns are getting too much.

MR. WHICHER: I did not say that at all, Mr. Chairman.

MR. GROSSMAN: And to tell the big towns they are not getting enough from the province, and the province is not getting enough from the federal government. But I will say this, that all members of these individual governments do the best, at their own level of government, for the people they represent. But apparently as soon as it comes to a question of saying the federal gov-

ernment should do its share, that is when hon. members opposite stop, and will not do anything about it.

I will not go into the question of large cities having charges which the smaller towns and rural areas do not have. That has been pointed out more than once.

However, I would like to point out something different on the question of this crass appeal to certain prejudices people will have. For instance, the hon. member for Bruce said yesterday that it was shameful that while we refused, as he put it, to increase pensions, we were providing \$100,000 for the zoo. I would ask the hon. member to get in touch with the federal government, and tell it he has read this morning's paper, and that he thinks it is shameful it will not assist the municipalities but will spend \$850,000 for 4 paintings.

MR. J. WINTERMEYER (Waterloo North): Mr. Chairman, like many others, I had not intended to become involved in this debate, but I certainly think that we, as Opposition members, cannot allow the position taken by the hon. member for St. Andrew to remain unchallenged. I am quite prepared to acknowledge that we will sit here from now until midnight, if we are going to be so petty, as to sit down and say, "I am right and you are wrong."

MR. CHILD: Who started it?

MR. WINTERMEYER: I do not care who started it, it is a question of who is going to finish it.

HON. MR. DUNBAR: Well, let the hon. member for Waterloo North finish it.

MR. WINTERMEYER: I will, Mr. Chairman, that is what I am going to do right now. It seemed to me that the hon. member for Bruce made what I thought was a very direct and pointed remark. I do not think he was attempting to compare figures, he was asking for something, and I think the hon. Prime Minister himself has supported him on numerous occasions in this

House, and has suggested time and again if he had more money, he could do various things which the hon. member is suggesting.

HON. MR. FROST: Certainly, that is right.

MR. WINTERMEYER: Now let us not constantly get into the position of saying, "Well, it is the federal government's fault." About 12 or 15 years ago, the hon. Prime Minister made a most excellent and wise suggestion to this province. He suggested at that time it was basically unfair to charge real estate with the costs of municipal government, and I think it is still unfair. He suggested, moreover, a simple and direct procedure to help: that a Royal commission be set up to study the whole fiscal arrangement.

Now as I say, we can batter this back and forth, we can take figures, we can analyze figures, but in doing so, we are taking an inflationary dollar, we are talking about obligations which were not present years ago. I do not think we can effect those comparisons, but the principle is still there, and I respectfully suggest to this government that, irrespective of what conclusion we come to on figures, the government does have the obligation of looking to its responsibility.

It has accepted the challenge of leadership and now it must exercise its responsibility. I say in principle that, if they are going to do that, I do think they have to acknowledge the responsibility of setting up an independent body to examine into this problem, and I do not think it behooves us to waste a whole lot of time in this House in arguing back and forth as to who is wrong about a certain number of dollars.

The opportunity has been established, the opportunity is there, and I, for one, would certainly be very pleased if the hon. Prime Minister would take this opportunity to tell us that he is prepared to set up a Royal commission which will investigate this problem, and come up with some degree of assistance that we are all agreed is required.

We are all in basic agreement. We all agree the municipalities, basically, need more money. It may be that unconditional grants are not the ideal; it may be that something else is not the ideal, but the objective we have in mind is similar, and I suggest the only way we are going to do it is the way the hon. Prime Minister suggested 12 years ago.

HON. MR. FROST: Mr. Chairman, I would like to make a reasoned reply to the hon. member for Waterloo North's somewhat fevered statements which have been made in the last few minutes.

First of all, I can assure you I want to keep away from matters which are controversial. What I am going to refer to is factual, and that refers to Bill No. 80, which was given second reading in this House on March 12, 1953. The Order of the day was for resuming the adjourned debate on the motion for the second reading of Bill No. 80, "An Act to provide for the Federation of the Municipalities of the Toronto-Metropolitan Area for Certain Financial and Other Purposes." This was second reading of a Bill. The Ayes were 69, the Nays were 9, and they included:

Messrs. Chartrand, Gordon, Grummett, Houck, Manley, Nixon, Oliver, Reaume, Salsberg.

MR. OLIVER: Mr. Chairman, what is the hon. Prime Minister trying to prove?

HON. MR. FROST: That you voted against Bill No. 80.

MR. OLIVER: Well, we never said we did not.

HON. MR. FROST: Your colleague did.

MR. WHICHER: The hon. member for High Park said it.

THE CHAIRMAN: Order.

MR. OLIVER: I am going to say something, sir.

THE CHAIRMAN: One at a time.

MR. OLIVER: Well, I am only one. There never was any argument, except in the mind of the hon. Prime Minister — that we had ever voted for Bill No. 80. We certainly did vote against Bill No. 80, and no one except the hon. Prime Minister said we did not. And if we had to do it over, we would do the same thing right now.

MR. COWLING: I said it, Mr. Chairman.

HON. MR. FROST: Mr. Chairman, may I reply to what has been said, first of all in connection with unconditional grants. As has been pointed out here, many of our grants are progressively greater in the smaller municipalities, that is so for roads and schools. In the matter of unconditional grants which, as the Statute says, is in payment or in recognition of the social services and administration-of-justice costs, the provision of the Act is on a different level. But may I point out to the hon. members opposite the effect of the basic grant of \$1.50, which applies to all municipalities, which is, in the rural municipalities, about 11 per cent. of their tax levy. The accelerated, or progressive grant, in the large municipalities, Metropolitan Toronto for instance, of \$4, is only about 5 per cent. of their tax levy. Relatively speaking, the \$1.50 is much larger percentagewise, and has a very much greater effect on the mill rate in the smaller municipalities than \$4 has in the larger.

I might point out that one of the difficulties of the committee which struck these rates was the fact that there was a desire to reasonably meet the social-services costs of the larger areas, and, at the same time, not make the contributions to the rural municipalities too small. The cost of social services and administration of justice in Ontario ranges from about 30 cents, in some rural municipalities, to as high as \$9 per capita, in the large municipalities. In taking a cross section and running it from \$1.50 to \$4, the amount

given represented 5 times the cost in some municipalities, while in the larger municipalities, with more industrial assessment and the head offices, about which the hon. member speaks, the effect is much less. So there was still kept, in balance, the fact that the larger municipalities have some sources of income which the smaller ones do not have, and that was preserved in the formula which was devised. However, taxwise, in relation to the tax levies of the municipalities, it runs from around 11 per cent., down to about 5 per cent. in Metropolitan Toronto.

I think that is about as concise an explanation as I can give on that matter.

In connection with the problem of municipalities, I might say that I was born in that atmosphere. My father was mayor of Orillia, and connected with municipal life for many years, and my family was connected with municipal life in Lindsay, and I still consider myself as an advocate of the municipal cause. I make no apologies for that at all.

I would tell the House that in one of my first speeches in the House, as a matter of fact, I recommended a Royal commission. I mentioned that in the first Budget speech I made in 1944. I am not so sure, that now, after all these conferences, over all these years,—without being immodest about it—I think I know more about this problem than any Royal commission at this time. Surely I do.

I do not say immodestly, because I recognize the wisdom of many always contributes to the solution of problems, but I point out that I always like to be kind in these things, to be generous, and to be reasonable. May I point out to the hon. member that his leader just a very short time ago—two or three years ago—said that Royal commissions gave him a “pain in the neck”, and I would not want to cause him any further discomfort of that sort.

The problem of municipalities, when reduced to its simplest terms, is the problem of rising expenses, and the difficulty of finding the taxing sources to take

care of those expenses. No Royal commission can do more than tell you that such is the case.

As a matter of fact, when we turn to the matter of taxing sources, that is a problem to which this House can address itself, that is, additional taxing sources for the municipalities. Where can we secure them with a degree of equity which would provide for them? I ask this because I recognize from what the hon. member for Bruce (Mr. Whicher) says, they all have their problems in varying degrees, and they are all large enough, from the point of view of their own particular and peculiar difficulties.

I would like to outline what we have done here quite frankly. I have been concerned with problems in relation to our primary public and separate schools as well as the problems of our municipalities. As a matter of fact, when you get down to it, it is difficult in these times to find taxation sources which will enlarge the income, and yet bear some measure of equity and relate to the problems of all. Therefore we have adopted a method of giving the municipalities more and more money to assist them in their problems.

I think the hon. members opposite will say that, to deny that we have done a tremendous job in that regard would be unfair and untrue. It is true our revenues have expanded 4 times, but again I say, that our contributions to the municipalities have multiplied by 10, from about \$20 million to \$185 million. That is a huge amount.

The hon. member for Bruce might ask: "Do the municipalities think they should have more money?" Yes, of course they do. Do the school boards think they should have more money? Yes, of course they do. I would very much like to assist them further. I think it would be a good thing for this country if we were able to free real estate of many of its burdens. It would have a tremendous effect on the development of the country and would make real estate a more desirable asset, and would lessen the burden on that element of our economy, as large as it is.

I take that view very strongly, and I can assure the hon. members that the position I took at Ottawa, if they want to go back to that, was to get additional money which we very greatly need.

The hon. member says with the federal government moving over a little bit in the taxation field, we can get a little more revenue. That is quite true. But he must recognize we have to provide another \$25 million for mental hospitals. Four years from now we will be paying \$25 million a year more than we are today.

We will pay more money in the ordinary course because of the increase in school population, and we will require every small amount of space we can occupy in the taxation field.

The federal government pays out nothing. All they do is give us a greater area in the taxation field which we previously had to ourselves. Any sensible person will see that the province will need increases in the taxation field for the commitments which are established right now. We will need that money, and, as a matter of fact, we will need more money than the present distribution of the taxation fields now provide.

Where do we turn to give assistance to these real estate owners? I can assure hon. members if the federal government had done what I say they should have done, and should do now, that is give us an area in our own tax field because it is ours, if they would give us an area of about 15 per cent., 15 per cent., and 50 per cent., of the 3 fields, we can give to the municipalities and to the school boards about \$100 million more, spread over their requirements and make a real reduction in real estate taxes. That is what I would like to do, and that is what I think should be done. That is my policy.

MR. R. WHICHER (Bruce): May I ask a question?

HON. MR. FROST: Yes.

MR. WHICHER: If the hon. Prime Minister really believes that, why does he not collect the taxes himself and secure the extra money?

HON. MR. FROST: I do not know whether they follow this at Wiarton or not, but they do in some parts of "old Ontario." Of course you can impose taxes, but it is double taxation, and it burdens the people of this province twice as much as it does the people of other provinces.

The hon. member for Waterloo North (Mr. Wintermeyer) will say: "Of course we can impose additional taxes on corporations," but the hon. member for Waterloo North also knows when we charge additional taxes on our corporations, we are placing a burden on the organizations which manufacture and export, over and above the burden borne by the same industry in, for instance, the province of Quebec. That is not the way to develop Ontario.

If we are going to develop Ontario, we have to keep it competitive, and we cannot add burdens to our people, tax-wise, in our competing areas beyond their ability to pay. If we do, then we place an impediment on our people, and to the development of the province.

One of the problems is that we must keep ourselves in a competitive position, and not add costs and burdens on our people, and increase the costs of living and other charges, which means we place our citizens and our industry and labour under a disability as related to other jurisdictions. That is the problem.

It is all very well to say: "Go ahead and impose taxes." We can do that. We can impose an extra 10 per cent. income tax on our people. We can impose additional charges by way of corporation taxes, and incomes taxes on individuals, but it all adds up to the fact that it will cost them much more to produce the things which we produce in this province, to the extent of some \$8 billion a year.

Mr. Chairman, in the light of that problem, the hon. member might say: "What have you people done since you came into office in connection with municipalities?"

I think that is very clearly set out in these statements. It is true that municipal taxes have gone up, but I may

point out the average mill rate in this province in 1943 was 36.1 mills. Today, it is 48.5 mills. In other words, the average mill rate in the province has gone up by about $12\frac{1}{4}$ mills.

What have we done to keep it there? It has gone up, undoubtedly, but what have we done to keep it there? We have contributed 30 more mills.

The hon. members opposite won an election on one mill back in 1937. We have given to the municipalities 30 mills in order to keep the tax rate down to $48\frac{1}{2}$ mills.

MR. T. D. THOMAS (Oshawa): Does that mean it will win 30 elections?

HON. MR. FROST: Yes, at the rate we are going. If you asked, "What have you done?" I would say, "Enormous things."

MR. WHICHER: Did the hon. Prime Minister say, "An extra 30 mills?"

HON. MR. FROST: Yes. It is only 25.7 mills now; it should be about 20 mills. The provincial subsidy, in mills, last year was 6.5, and this year it is 27.5. That is a tremendous increase. In other words, if the province had not done what it has in the past 12 years, today the average tax rate in Ontario, instead of being $48\frac{1}{2}$ mills, would be around 68 or 69 mills.

Would we like to do more? Yes. Do we think more should be done? Yes. We agree there is an unfair burden on the real estate owners in this province, and I think it is very unfortunate that such is the case. We have \$7.2 billion of assessed property in this province which would be capable of adding to the productivity of the province, if we could release them from at least some of this unfair burden which it has borne.

What is the answer? More money. Where will we get it? By a fair share of the tax fields which are ours, and which do not belong to Ottawa; they belong to us. If we receive a fair share of what is ours — and in fixing that "fair share", I am prepared to lean backward; I am prepared to take a smaller

share than we should get — but if we had these 15 per cent. and 15 per cent. of our own taxes, we could do a great deal toward relieving the real estate owners and farm and home owners in this province from the burdens they have been bearing, by way of an unfair rate of taxation in the province.

This could be referred to a Royal commission. I could easily give the problem right now. It is the remedy we want, and the remedy boils down to simple limits: what is the best we can do under all the circumstances, to meet the problem?

MR. WHICHER: The hon. Prime Minister is regarded in very high esteem in this province, but I also have heard him say — and perhaps some of the hon. members are prejudiced and will not agree with this — that he regards the Rt. hon. Prime Minister of Canada (Mr. St. Laurent) as being a loyal, fair citizen of this country. Is there just one chance that the hon. Prime Minister of Ontario might be wrong in this case, and that Rt. hon. Mr. St. Laurent might be right?

HON. MR. FROST: That may be, of course.

HON. MR. DUNBAR: I would say it is your hon. Mr. Harris.

HON. MR. FROST: If I were in Ottawa, and had a budget of \$5 billion, and I found it would cost only \$250 million to settle with the provinces, and to give Nova Scotia and New Brunswick, say, \$15 million apiece, and give to Ontario what it is entitled to receive, and to give more money to the province of British Columbia — which I think is getting a pretty rough deal — I would give them the \$250 million. I wish we could settle things, percentagewise, as simply as that. It would amount to about 4 per cent. of the Budget of the federal government; \$200 million is about 4 per cent. of a \$5 billion Budget.

In Ontario, we are giving about 19.6 per cent. this year to education alone. If I could settle the problems of the

municipalities with 4 per cent. of my Budget, I would do it at once.

The best advice I could give to Rt. hon. Mr. St. Laurent would be to take \$200 million or \$300 million, and settle with the provinces, and give them a square deal, and I believe that would do more to give effect to Confederation than anything since the Act was passed in 1867.

MR. D. MacDONALD (York South): Mr. Chairman, I have a question which I believe should come under vote 1,201. It arises from what apparently is fairly wide-spread dissatisfaction — how wide-spread, I am not certain, I am saying very frankly — following the re-assessment, and the grants to municipalities.

Let me give an example to illustrate my point. One is the township of Thorold. In the case of its primary schools, it had before its re-assessment an average assessment per classroom of \$124,715, and that produced a primary school grant of \$80,600.

After the assessment, their per-classroom re-assessment was \$262,000. That produced a school grant of \$57,700. In other words, the school grant, as a result of the re-assessment, dropped by \$22,900.

Then, if we move into the secondary school field — I will not go into details — but the figure for school grants dropped from \$74,000 to \$61,000 roughly, or \$12,929. In one township, the drop in school grants they received across the board was \$26,500.

There is another thing which interests me—and I emphasize in advance it is based on a somewhat different situation. If we go to northern Ontario, for instance, to school section No. 1, at Lebel, we find that before the Act was passed last year, they cancelled the mine acreage tax refund, of which a certain amount went to the township. That was eliminated. The increase in grants did not compensate for the refund of the mine acreage tax.

Then you have the provincial land tax, which is put on by The Department

of Lands and Forests in unorganized townships, coming into the consolidated revenues, and out of which grants are made. Some years ago, I understand ratepayers were allowed a rebate of this tax, if they gave proof that they paid their school taxes. In this one township, in 1951 — the hon. Prime Minister is always boasting that the school grants are going up—the fact of the matter is in this one township, the grant for education in 1951 was \$10,220.45, while in 1955, it was \$8,579.80; whereas, in 1951, they were getting some of the money by way of mine acreage tax refunds, in 1955, they got nothing.

My question is, if following the re-assessment and the cancelling of the mine acreage tax refunds, it results in lowering the grants to that area, and other action by the government does not compensate for the loss so that there is a significant drop in the budgets in the local areas, what does the government do?

HON. W. A. GOODFELLOW (Minister of Municipal Affairs): Mr. Chairman, of course, that is why we have increased the per capita grants to the schools, to take care of that variation.

The one matter which is giving us more concern than any other is the fact that we have to have a provincial assessment for grant purposes, and I think before long we will have to revise our whole grant system.

MR. MacDONALD: The hon. Minister agrees there is a serious drop in their budgets, which has not been met?

HON. MR. GOODFELLOW: Because there has not been a widespread expansion—

MR. MacDONALD: I am glad the government acknowledges the municipal problem, due to the fact that through the re-assessment, their incomes have dropped. If I understood the hon. Minister correctly, he says the whole grant system will have to be re-assessed in the near future — but what about next year, or perhaps the year after that, before the grants are increased?

HON. MR. GOODFELLOW: They will be reimbursed, through the addition of the per capita grant. Many municipalities have their assessment at a point where they may stand to lose. They have lost the whole effect of the re-assessment, because they have dropped from 100 per cent. down to 40 per cent.

MR. MacDONALD: Well, in the case of a northern community, an unorganized territory, how would the hon. Minister explain the fact that a township's school grant would have dropped, to be exact, \$1,700 in a \$10,000 figure—now, that is a very high percentage—between 1951 and 1954, and meanwhile the mine acreage tax refund has been eliminated altogether?

HON. MR. GOODFELLOW: I would be very glad to look into that specific municipality.

MR. MacDONALD: I would be glad to give the hon. Minister the information.

MR. T. D. THOMAS (Oshawa): On item No. 5, there is "commissions and investigations, \$35,000." I know you have one commission operating at the present time. What would be the other? "Commissions", it says.

HON. MR. GOODFELLOW: That is an item which has been in there, as a matter of fact, for some years. The municipal-provincial department has been in existence this year, and the year before. We are discontinuing that and going on with this advisory committee.

MR. THOMAS (Oshawa): The hon. Minister said that the objective of the department was, of course, towards uniform assessment throughout the province of Ontario. However, when speaking in the debates some 2 or 3 years ago, the then hon. Minister of Municipal Affairs, who is now the hon. Provincial Secretary, said: "Well now, we cannot do these things overnight; it might take 4 or 5 years." We are still

a long way from that, but I wondered if the hon. Minister, at this time, would hazard a guess as to when we are likely to have an equalized assessment in the province?

HON. MR. GOODFELLOW: Mr. Chairman, we should be able to institute an equalized assessment for provincial grant purposes by next year. However, I hope hon. members of the House do not get the impression that means an equalized assessment for all the municipalities in Ontario. That is only an equalized assessment for grant purposes.

MR. THOMAS (Oshawa): One other question, Mr. Chairman, if I may. The hon. Minister mentioned "biennial assessments." I think that has some merit, but how is he going to put that into operation? By legislation?

HON. MR. GOODFELLOW: That is right.

MR. THOMAS (Oshawa): Making it permissive?

HON. MR. GOODFELLOW: That is right, Mr. Chairman.

MR. THOMAS (Oshawa): How far does the hon. Minister think permissive legislation will get him?

HON. MR. GOODFELLOW: I think the municipalities would welcome it, but it can only apply where they have a two-year council term, as the hon. member will understand.

Vote 1,202 agreed to.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Chairman, before the Estimates of the department are completed, I want to draw the attention of the House to the report of the speech made by the hon. Minister of Municipal Affairs. He is presenting his first Estimates to the House, and when he became Minister, he entered the door of the department with quite a fanfare, and a good deal of hope was held out that some of the things which had been

done there, would no longer be done. But even the most ardent believers in that doctrine, Mr. Chairman, would hardly have thought he would go as far as he was reported to have gone in his speech in Oshawa. He was introduced at that time by the hon. member for Oshawa, so it will be seen that he was in good company.

MR. THOMAS (Oshawa): Thank you.

HON. MR. GOODFELLOW: I think the hon. member for Oshawa will agree that I was misquoted.

MR. OLIVER: This speech took place, according to the records, on the evening—I presume—of January 10, 1956.

HON. MR. GOODFELLOW: It was at high noon.

MR. OLIVER: Well, of course, the time is not very material, I simply want to be approximately correct. The hon. Minister is reported to have said in his speech as follows:

An effort will be made to break down the autocratic, arrogant and dictatorial attitude of officials of the Department of Municipal Affairs.

Now this government has been in office for 13 years, during which time The Department of Municipal Affairs was under the direction of the now hon. Provincial Secretary. I do not know whether he will agree that under his administration as head of that department, the officials of the department became so dictatorial they would have to be called to task by the new Minister immediately after he assumed the portfolio.

I want to know from either one or both of these two hon. gentlemen, whether that was a statement of actual conditions, or just what was the hon. Minister driving at, when he more than hinted, but actually said, in what one would read as a factual statement—

MR. NIXON: Is there not something about "red tape" in there, too?

MR. OLIVER: Red tape, yes, I did not want to go into it all, but there is red tape along with it. Apparently there has been a great deal of "red tape" in the department and the hon. Minister, with his new knife and new broom, is going to cut away the red tape which was left there by the hon. gentleman who preceded him in the department.

The now hon. Provincial Secretary left his department full of red tape, full of officials who were dictatorial, full of officials who did not deal properly with the public.

Now is that a true state of affairs; did the hon. Minister actually find those conditions when he entered the doors of The Department of Municipal Affairs?

HON. MR. GOODFELLOW: Mr. Chairman, as a matter of fact, what I said in Oshawa was, that if all the accusations on the part of certain people were true that the department and its officials were inclined to be autocratic and arrogant, and what-have-you, I would correct it. However, as a matter of fact, I got so many favourable press reports on the statement made in Oshawa, that I decided not to correct the statement I made.

MR. OLIVER: Then this is not a correct statement? Things are all right in the department, are they? Good.

Hon. Mr. Porter moves that the committee rise and report certain resolutions.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

MR. J. F. EDWARDS (Perth): Mr. Speaker, the Committee of Supply begs to report it has come to certain resolutions and asks leave to sit again.

Report agreed to.

HON. DANA PORTER (Provincial Treasurer): Mr. Speaker, I request that we revert to the Order of presenting reports by committees.

MR. W. MURDOCH (Essex South): Mr. Speaker, I beg leave to present the report of the select committee appointed to inquire into the payment of indemnities.

MR. NIXON: And move its adoption?

MR. MURDOCH: I might say, Mr. Speaker, before reading the report, that at this time any resemblance between the hon. Provincial Treasurer and Santa Claus is purely intentional.

Your select special committee was appointed on Tuesday, March 20, 1956, to study and inquire into the payment of indemnities and allowances of members of the Assembly, members of the Executive Council, Mr. Speaker and his office, the leader of the Opposition and his office, including the nature, form and amount of such indemnities and allowances and all matters pertaining thereto, and to report its findings to the Assembly at the present session thereof.

The committee as appointed and which now presents its report comprises Messrs. Murdoch (chairman), Manley, Reaume, Stewart, Thomas (Oshawa) and Wardrope.

The committee met at the Parliament Buildings at Toronto on March 22 at 11 a.m. and 7.30 p.m., and on March 23 at 10.30 a.m. and 12.30 p.m.

A number of letters from members outlining their views and giving details of the expenses incurred by virtue of their membership in the Ontario Legislature were submitted and these views were of considerable assistance to the committee in its deliberations.

Situation elsewhere:

The committee gave consideration to the indemnities and allowances provided in other provinces of Canada, and the Parliament of Canada, and also to the reports of committees which reported on the same matters on March 10, 1947, and April 5, 1951.

Much could be said with respect to the inadequacy of the present indemnity

and expense allowance payable to members when considered in the light of the following conditions:

1. The expansion of government services and new legislation affecting all departments now makes membership in the Legislature, in effect, a full-time occupation.

2. The increase in the work of government has made it necessary to lengthen the sessions of the Legislature and increase the number held annually, thus entailing a greater expense for members.

3. The desirability of making it possible for all citizens to become candidates for election, even though they may not possess sufficient private means, to enable them to devote full time to their duties as members of the Legislature.

The view of the committee is that the remuneration received by members of the Legislature cannot really be regarded as a salary. A member of the Legislature cannot, nor should he expect, to be paid commensurate with his responsibilities and duties in public life.

Recommendations:

Your committee accordingly recommends that The Legislative Assembly Act be amended to provide:

1. That there be paid to each member of the Assembly,

(a) An indemnity of \$3,600, such indemnity to be payable at the conclusion of the first session held in each calendar year and no further indemnity to be paid in the same calendar year whether or not a further session or further sessions of the same or a subsequent Parliament are held in such year;

(b) An allowance for expenses at the rate of \$1,800 annually, payable at the conclusion of the first session held in each calendar year;

(c) That the mileage allowance as presently prescribed in subsection 1 of section 74 of The Legislative Assembly Act be paid on the basis of 6 trips annually;

2. That The Legislative Assembly Act be amended to provide the payment

to all members of the Executive Council and the leader of the Official Opposition of an annual representation allowance of \$2,000;

3. That Mr. Speaker's contingency allowance be increased by \$2,000 annually;

4. Recognizing that a sound, constructive Opposition is the essence of democratic government, the committee favours increasing to \$12,000 annually the allowance paid for secretarial assistance to the member recognized by Mr. Speaker as the leader of the Official Opposition;

5. That in the 25th Parliament, for the office provided for members of the Opposition other than the Official Opposition, an annual allowance of \$3,000 for secretarial services be provided.

The committee recommends that these amendments shall become effective in the life of the 25th Parliament of Ontario.

(signed) WM. MURDOCH,
Chairman.

Now, Mr. Speaker, in tabling this report, I would like to thank the members of the committee for their prompt attendance at the 4 meetings which were held.

I would like to say, Mr. Speaker, that during my years as a member of this Legislature, since 1943, never in those years has so much been done to so many legislators by so few in such a short space of time.

Motion agreed to.

MR. SPEAKER: With your permission, we will revert to Orders of the day, and before the Orders, may I say that: On Monday, March 26, from 12 o'clock until 2 o'clock, there will be demonstrations of safety devices on motor cars, especially arranged with the automobile manufacturers for the hon. members of the Legislature. The demonstrations will be in two places:

1. In front of the main door of the Parliament Buildings, a space will be cleared where several of the manufacturers will have cars equipped with the

latest safety devices on display. There will be experts in attendance who will be prepared to demonstrate the devices and to answer questions put to them by the hon. members. These cars will remain in that location from 12 o'clock until 2 o'clock.

2. In committee room No. 2, from 12 o'clock until 2 o'clock, there will be a number of safety devices on display. There will also be films shown that are supplied by various manufacturers, the purpose of which is to show what happens when a crash occurs. These films will be found very interesting and instructive, as they are motion pictures of actual crashes conducted by the manufacturers in connection with safety re-

search. There will be a showing at 12 o'clock, and a second showing at 1 o'clock.

HON. DANA PORTER (Provincial Treasurer): Mr. Speaker, before moving the adjournment of the House, may I announce that on Monday, we will deal with the Estimates of The Department of Lands and Forests, business on the Order paper, and a continuation of the debate on the Budget.

Hon. Mr. Porter moves the adjournment of the House.

Motion agreed to.

The House adjourned at 3.40 of the clock, p.m.



Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Monday, March 26, 1956

Afternoon Session

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

MONDAY, MARCH 26, 1956

2 O'CLOCK, P.M.

And the House having met.

Prayers.

MR. SPEAKER: I would like to welcome to the Assembly this afternoon, all those who are sitting in the galleries of the House, especially the Mother Superior and the students from Loretto Abbey College, and also the students from Havergal College, and North Lea School, Leaside.

I particularly want to welcome to the House, a very distinguished gentleman in the person of Dr. R. N. Janes, professor of surgery, University of Toronto, president of the Royal College of Surgeons of Canada, and one of the truly great surgeons of our country. Dr. Janes is the brother of the distinguished hon. member for Lambton East, our old, inimitable "Zeb" Janes.

I also want to welcome to the House this afternoon, Miss Marilyn Bell, one of the outstanding athletes of the world. With her, we welcome her mother and father, and her trainer, "Gus" Ryder; also Mr. Bassett, one of the sponsors of the channel swim, and again, the Mother Superior Eva of Loretto College, and her very good friends from that school.

At the request of the hon. Prime Minister, the House will now adjourn during pleasure.

The House adjourned during pleasure.

HON. L. M. FROST (Prime Minister): Mr. Speaker, we have adopted this unusual course today, because today is unusual. I do not recollect this course ever having been taken before, but it seemed to be the most suitable and desirable way of doing what I think everybody will agree should be done in relation to this matter.

Shortly after Marilyn Bell performed her very great feat of swimming across Lake Ontario, I received many suggestions from people relative to marking what was a very great event in the history of our province, and indeed, in the history of our country, but I give credit to Mr. Gregory Clark for the suggestion which today we are carrying out, in relation to marking Marilyn Bell's very great feat.

On the nights of September 8 and 9, 1954, this girl, 16 years of age, performed the unheard-of feat of swimming across Lake Ontario. I think I would be quite safe in saying that had never been performed before in history, unless it was in the days before the dawn of recorded history in this province, and certainly we know that despite very valiant efforts on the part of very great athletes, it has not been equalled since.

To show her prowess, last summer, on July 31, she conquered the English Channel, swimming across that very difficult stretch of water in 14 hours and 34 minutes. If there had been any doubt as to the abilities of this girl, of her courage and of her athletic prowess,

certainly they were entirely dispelled by the fact that she was able to do what so many others have been unable to do, that is, swim across the channel.

On this occasion, I know that we all would like to pay tribute to her as a representative of Canadian youth, with all the dignity, beauty, and courage that go with our young Canadians of today.

We have had reference in this Chamber to "physical fitness." I think the fact that we have events like this, which come about seemingly in the ordinary course of things, indicate, as I say, the strength, beauty and courage of young Canadians, both boys and girls.

So we would like to pay tribute to her, for herself, and as a worthy representative of the young people of this great country of ours.

Also I should like to pay tribute to her father and mother. After she swam across the lake, I had the privilege of meeting them. The strength and skill and goodness of our young Canadians come from a fine home life, and in this case, as in others, we want to pay tribute to her father and mother, who are seated here.

At the same time, I think we want to pay tribute to her school. The environment of the school, the things which arose from that environment, the examples of teachers, now and in the past, have done great things to mould Canadian character, and to mould in youth the attitudes which result in national character afterwards.

It is a pleasure to say something by way of tribute to Mother Superior Eva. I believe she is absent today, but she is worthily represented by two other teachers here, and by Loretto College School which is represented here by a large number of students from that very fine school.

Also, I wish to say a word about her great trainer, "Gus" Ryder, who is also here, and I will ask him to unveil this plaque in a few moments. Mr. Ryder has been her advisor and mentor, her trainer and counsellor, in these difficult feats, and I should like to pay tribute to him, not only for what he has done in

this case, but because he has been, and is, a very worthy citizen of this province. What he has done for Marilyn Bell, he has done for many others, and I am sure today we want to associate Mr. Ryder's name with the event which we are commemorating.

Mr. Speaker, this afternoon I invited Mr. John Bassett, publisher of the *Telegram*. I have not asked him to come here as the publisher of the *Telegram*, but as a sportsman in his own right. I think one of the outstanding features of the channel swim on July 31 last was that of all the unfavourable times for the *Toronto Telegram*, that was the most unfavourable. As sponsor of the swim, and one who helped financially to a very large degree, the temptation might have been to say, "Let us put this off until Monday," but he did not do that, and I pay tribute to him as a very worthy sportsman, exemplifying the sportsmanship of Canadians. That was a very fine thing for him to do.

I thought of presenting to Mr. Bassett a poem or ballad, but perhaps before I do so, I should read it over again more carefully.

We have some very great newspapers in this city which I will not enumerate because they are very well known nationally. However, we have here, a great newspaper that is not so well known, the *Gas Jet* published by the Press Gallery, which I can assure you is a very great journal. They published a poem some time ago, and I will read the last lines, telling about this very great event of the channel swim on July 31 last, which preceded civic holiday. My recollection is, it was on a Sunday, and the next day was the civic holiday, and the "Tely" was not published until Tuesday, which was a bad "break." The poem or ballad says:

Then all the Tely's plan went astray,
Because she picked the week-end of
civic holiday,
Marilyn crossed the English Channel,
Marilyn graciously she swam,
Marilyn crossed the English Channel,
The day she picked, there was no
Telegram.

I might give that to Mr. Bassett some time with the permission of the author. I imagine this famous poem is copyrighted, but I will see if I can present that to him with the author's permission.

Mr. Speaker, may I say it is a very great pleasure on this occasion to ask the hon. leader of the Opposition (Mr. Oliver) and the hon. member for York South (Mr. MacDonald) to join in this tribute, after which I will ask Mr. Ryder to unveil the plaque, and I shall present to Marilyn, on behalf of the people of Ontario, a replica of the plaque which she can keep with her.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Speaker, there are occasions when I do not desire to comply with the request of the hon. Prime Minister with as much enthusiasm as I join with him this afternoon in paying tribute to Marilyn Bell.

In this Assembly from time to time, there are great differences of opinion with regard to a great variety of subjects. However, when it comes to a recognition of the great prowess Marilyn Bell enjoys as an athlete, there is no difference of opinion among the hon. members of the Legislature, in paying to her a tribute she so richly deserves, by her work and her efforts.

I like to think of Marilyn Bell as a young lady who was quite aware of her capabilities but who was unspoiled by their accomplishment. It seems to me that measures up pretty well to what all of us think of Marilyn Bell.

As the hon. Prime Minister has said, she swam the cold, frigid waters of Lake Ontario and, also, across the difficult English Channel; and in the back of her mind at all times, I believe, was not the thought of personal conquest, but rather than Ontario and Canada would be the better because she swam so well.

As the hon. Prime Minister has already remarked, it is a tribute to Marilyn Bell that in the midst of all the plaudits, the glory and the honour which have been attached to these exploits, she has found not only the time, but the desire and determination to continue her school studies, and to prepare

herself for the university in the very near future.

Therefore, this afternoon I join heartily with the hon. Prime Minister in paying tribute to a great young Canadian, who has done so well for us all and who has done it in a way which has captured the hearts of everyone of us.

MR. D. MacDONALD (York South): Mr. Speaker, I am very happy to be able to associate myself with the expressions of the hon. Prime Minister and the hon. leader of the Opposition this afternoon. I will not repeat what they have said, and said so well.

There is one point in this whole magnificent triumph which should not be missed. It was not only a triumph of human strength, but even more so, it was a triumph of human will power and spirit. I am certain there must have been not only individual moments, but moments which dragged on into endless hours, during that Lake Ontario swim, when Marilyn would have confessed that, if she had assessed her strength, she did not have it, but with her will power alone she went on and eventually got through.

That is what makes this not only one of the greatest sporting events of Canadian history, but one of the greatest events of Canadian history, that one person—and in this instance it is a challenge to the rest of us, as it was a 16-year-old girl—was able to plumb the reserves of human will power, and show just what human beings can achieve, under a challenge. In the world in which we live today, it is well to know that we have those reserves, and we should thank this 16-year-old girl for having revealed them to us.

... Unveiling of plaque, and presentation of replica.

MR. SPEAKER: Before the House reconvenes, I would like to welcome to the Assembly His Worship the mayor of Toronto, and his very charming wife, who are present to pay tribute to Marilyn Bell, together with the hon. members of the House.

We also have in the Speaker's Gallery Mr. Hiram McCallum, general manager of the Canadian National Exhibition, whom we welcome here this afternoon.

The House resumed, Mr. Speaker in the chair.

MR. SPEAKER: I beg to inform the House that the clerk has laid upon the table a return from the records of the by-election held in the electoral district of Niagara Falls on October 19 and 26, 1953; also, of the by-election held in the electoral district of Simcoe East on January 25 and February 8, 1954; also, of the by-elections held in the electoral districts of Leeds, Nipissing and Russell on September 2 and 16, 1954; also, of the general election held on May 26 and June 9, 1955. Also, of the by-election held in the electoral district of Renfrew South on December 29, 1955, and January 12, 1956.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

CLERK OF THE HOUSE: Mr. R. Connell from the Standing Committee on Government Commissions presented the committee's report and moves its adoption.

Your committee held 5 meetings and heard representations from the Liquor Control Board, the Liquor Licence Board, the Ontario Food Terminal Board, the Ontario Telephone Authority, the Ontario Labour Relations Board, the Ontario Northland Railway, The Ontario Hydro-Electric Power Commission and the Ontario Athletic Commission and Charles Bagnato, representing the Amateur Athletic Union of Canada, Central Ontario Branch.

Your committee recommends to the hon. Minister of Labour (Mr. Daley) that a select committee of the Legislature be appointed to inquire into all matters relating to amateur sport in Ontario with particular reference to amateur boxing.

(signed) R. CONNELL, *Chairman*.

Motion agreed to.

MR. SPEAKER: Motions.

Introduction of Bills.

LEGISLATIVE ASSEMBLY ACT

HON. L. M. FROST (Prime Minister): Mr. Speaker, arising out of the resolution which was presented to this House on Friday, I propose to introduce a Bill — which I shall do after I give a brief explanation of it — intitled, "An Act to amend The Legislative Assembly Act."

When I introduced the resolution in connection with this matter about a week ago, I said these matters are difficult to deal with. I must admit that when I dealt with similar matters in other days, I hoped it would be the last occasion I would have to deal with it.

The matter of the indemnities and salaries to elected representatives is always a difficult one. It is subject to being misunderstood but, unfortunately, this matter has to be faced. I think that I can place the matter now in an understandable position, as far as the public, whom we represent, are concerned.

This problem arises from the ever-mounting costs of representing the public in Parliament, whether it be here or in other jurisdictions.

I do not intend to elaborate upon what I said a week ago. It never has been a question of arriving at what is adequate from a salary standpoint; as a matter of fact, it is the ways and means of indemnifying properly those who serve the public in Parliament and in the councils in connection with the problems which must be faced.

It must be remembered that a person in public life is faced not only with properly representing those whom he serves on all occasions, but to a very large extent—and that is particularly true of the hon. leader of the Opposition and the hon. Cabinet members—their families have to enter into the matter also, because very often they are part of the official order of things, in order to meet the requirements of the great province of Ontario.

With that background, I might give to the House some explanation. I have had the opportunity of reading the report. I also had the opportunity of perusing, as had the members of the committee, information relative to the other provinces of Canada, and the federal government. I propose to table these documents, so that they will be available for hon. members of the House, and others who may be interested in seeing the comparative salaries, indemnities and allowances for the Prime Minister, members of the Executive Council, hon. members, Mr. Speaker, the chairman of the Committee of the Whole, and the hon. leader of the Opposition. I have here all the particulars for each of the provinces.

There is also appended a statement which the committee also had, relative to the pensions which are payable in some of the provinces, and the federal parliament. This includes a statement giving particulars of such superannuation allowances, which are all part of the picture.

The comparative jurisdictions we have here in Canada are, first of all, the Parliament of Canada itself, and then the other provinces. In regard to the Parliament of Canada, as regards the members' allowances, that is, the indemnity and the expenses allowed to members, traditionally we have run about one-half of the federal indemnity.

Whether that is a true or proper assessment, I do not presume to say. It is very difficult to make comparisons. The federal sittings are very much longer than ours. On the other hand, the problems of representation of members here are very much more difficult, and very much more intimate, as far as the electors are concerned, involving specific details in connection with thousands of people in the course of every year. Therefore, the problems of representation here and at Ottawa are not by any means entirely comparable.

Nevertheless, traditionally, ours would run approximately one-half of the federal indemnity.

Again, it is difficult to make comparisons, because the federal indemnity has two bases—\$8,000 salary and \$2,000 expenses, plus superannuation provisions. I have not attempted to reduce superannuation into any present dollar value, if I may refer to it in that way; but I may say that the allowance proposed by the committee of \$5,400 is certainly less than half the amount of the federal sum. I think that indicates it is reasonable, and in line with what has been the order of things for the last 50 years.

Mr. Speaker, in regard to comparable provinces, Quebec is the province which is more nearly comparable with us. There is an allowance given there of \$4,000 indemnity and \$2,000 expenses a total of \$6,000 and no pension allowance. The amount recommended by the committee here is \$5,400 in total. That appears to be moderate, and in keeping with the provisions made in our sister province where conditions, while not exactly the same, are very much the same as we have here in the province of Ontario.

I should like to make one or two other explanations, as this is a matter which can be very easily misunderstood. One of the newspapers referred on Saturday to a "retroactive payment", which the paper said would give the hon. members this year considerably in excess of \$6,000. This matter can be the subject of misunderstanding and, therefore, I think it better to explain to the House, and to the hon. members, the effect of the recommendations which the committee made.

Back in 1947, the House passed the present Statute which provides for the apportionment of the indemnity over the course of a year. The indemnity would be payable approximately at this time, commencing on April 1 last, and the year would be completed on the 31st of this month. The indemnity is divided on this basis; for members of the previous Legislature — the 24th Legislature — who either did not run, or were not re-elected on June 9 last, would be entitled to, and have been

paid, I presume, in all cases, the proportion of the indemnity running from April 1 last year to June 9, totalling \$419.17.

The new provisions would become effective with this Parliament, which commenced on June 9 last. For members who were re-elected, and who were members of the last House, they would receive a total indemnity up to the 31st of this month of \$5,117.22, divided, \$3,411.48, which is the actual indemnity based on \$3,600, and \$1,705.74, expenses.

New members in the House would receive, on the same basis, for indemnity, \$2,921.31, and \$1,460.66, made up of a proportion of expenses, the representation allowance running from the commencement of their Parliamentary term, on June 9 last, making a total of \$4,381.97. I think that places the matter in clear perspective.

Regarding the members of Council, and the hon. leader of the Opposition, the representation allowance which is provided for would date from June 9 last, and would total \$1,622.95.

Of course, starting on April 1 — and assuming that Parliament is not dissolved, but will operate for a full year, the amount for members would be \$5,400, made up of \$3,600 indemnity and \$1,800 representation allowance. For the Ministers and the leader of the Opposition, the amount would be \$2,000, covering those offices.

I shall table these statements which I think place the matter in clear perspective.

I have one statement showing the expense allowance in connection with the leader of the Opposition and the members of Council; a breakdown showing the actual figures as regards indemnity covering the year in which we are at present, which is the year affected by these changes; the comparative figures showing the situation in other provinces, in regard to indemnities and salaries, in particular, with the two which are most comparable, the province of Quebec and the government of

Canada; some statistical information relative to pension plans in force in other provinces, and a third sheet giving the particulars of those.

In the Bill itself, there are certain matters which are not dealt with in The Legislative Assembly Act, and will probably have to be dealt with by a special resolution, unless the tabling of the report, which I understand was adopted last Friday, meets the situation.

Those include the Speaker's contingent allowance, which is presently \$3,000. The recommendation is that it be increased to \$5,000. That is quite modest, and is in keeping with the provisions made elsewhere.

Mr. Speaker is actually in many ways the official host of the Legislature. There are social events which are inevitable in the course of doing the business of this province, which are charges upon Mr. Speaker, and that is the purpose of this increased contingent amount.

There is also the recognition of the problems of the Opposition. I have a good deal of sympathy with the Opposition's problems. Many years ago, I was in Opposition, and at that time the method of financing the Opposition office was for the members to "ante up" \$100 apiece to pay the salary of a stenographer, and if the Opposition was small, as it was in those days, the salaries were smaller. Therefore, there was not a great deal for the stenographer and secretarial assistance.

But we are living in a different day. I think the requirements of Opposition is something in which the government and the people of this province are very much interested. Our Budget has expanded 4 times, and the work of government has increased immeasurably, with the result that unless there is suitable staff in the Opposition office, it is very difficult for any Opposition to function, and the proposal is to authorize, through our Estimates, an expenditure of some \$12,000 for the Opposition office, to provide for suitable staff and arrangements, and to enable them, from the standpoint of office mechanics alone,

to keep up with the problems of government.

The same provision has been recommended in connection with the CCF Opposition. That has never been recognized before, except during sessions. But we must recognize that the hon. member for York South (Mr. MacDonald) and his followers, on two occasions, have formed the official Opposition, in 1943 and again in 1948, and I think it is desirable that the requirements of office staff, in the form, I understand, of engaging a full-time secretary, should be recognized.

I propose to have those 3 matters entered into the Estimates, if they are not already there by reason of the resolution adopted in this House, namely, the contingent allowance for Mr. Speaker be increased by \$2,000, which is a very modest amount, if we consider the nature of the requirements of the Speaker of this House; that the Opposition budget be raised to \$12,000, to allow for proper secretarial assistance; and that the CCF group be included in the Estimates to the extent of \$3,000 to provide for the engagement of a secretary in that office.

That is the situation, Mr. Speaker. As far as I know, there is nothing further to report to this House, nor to the people of this province. These matters are delicate matters, with which I personally would prefer not to deal. On the other hand, this is the year 1956, days of difficulty, when the Parliament of Ontario is faced with problems which over-shadow anything which has previously been faced by any of the Legislatures of Ontario. That situation is inevitable, and we feel the difficulties will increase, rather than diminish, and it seems to me it is only a matter of good sense and good judgment to make these changes at this time.

Mr. Speaker, I beg to move, seconded by Mr. Oliver, that leave be given to introduce a Bill intituled, "An Act to amend The Legislative Assembly Act," and that the Bill be read a first time.

Motion agreed to; first reading of the Bill.

THE UNWROUGHT METAL SALES ACT

Hon. P. T. Kelly moves first reading of Bill intituled, "An Act to repeal The Unwrought Metal Sales Act."

Motion agreed to; first reading of the Bill.

He said: Mr. Speaker, licences are required for unwrought metal sales, to deal with unwrought metals, including gold. The repeal of this Act is complementary to recent federal legislation which did away with the restrictions in the purchase and export of gold.

MR. SPEAKER: Introduction of Bills.

Orders of the day.

MR. ALLAN GROSSMAN (St. Andrew): Mr. Speaker before the Orders of the day, I would like to draw a matter to the attention of the House, in which I think it will be interested, in view of the news we have received from Moscow about the change in the Party lines.

I think the hon. members of the House will be interested in an excerpt from *Hansard* of February 12, 1953, and the words of my predecessor at that time in eulogy of his then leader. I think it would be interesting, and perhaps amusing, to imagine what he would say if he were in this House today, particularly as to the necessity for saying it to avoid execution.

At that time, he stated:

I would like, with your permission, to say a few words about the passing of Joseph Stalin, premier of the Union of Soviet Socialist Republics, and one of the greatest personalities of our time.

I am sure, if he were here today, he would want to delete the word "Premier", and substitute "Dictator" and to change "greatest personalities" to read "most tyrannical dictators of our time."

Further along, he says:

His death is a severe loss—

and I am sure he would want to change that to "his death is a great relief to the peoples who make up the Soviet Union."

Further down, he says:

Stalin combined within himself various gifts of unusual greatness.

I am sure he would want to change the word "greatness" to "ruthlessness."

Then he stated:

His leadership qualities are exemplified by the major role he played in the transformation of an industrial backward country into one of the most advanced states in the world.

I feel sure he would want to change the word "leadership" to "murderous", and the word "advanced" to "regimented."

And a little further down, he says:

—which the Soviet army and people carried on under his leadership as our allies against the Nazi hordes.

To that, I think he would like to add, "only after his Nazi alliance was betrayed by his cohort, Hitler."

Then my predecessor goes on to say:

I am confident that the calumnies which have been directed for so long against Stalin will, as time goes on, sink into oblivion—

and I am sure he would want to change those last 3 words to "prove to be correct."

And he says:

The figure of Stalin will emerge and remain in history as one of the greatest among the great of all times.

I am sure my predecessor would say today, "remain in history as one of the cruelest amongst the cruel of all times."

Further along, he said:

In conclusion, I want to express my sincere hope that Stalin's repeated declaration of the possibility and need for the peaceful co-existence between the socialists and non-socialist sectors of the world will become

the guiding policy of Canada and of all states.

I am sure he would want to insert the word "not" between "will" and "become", so it will read, "will not become the guiding policy of Canada and of all the states."

And I am sure he would want to change what he said then, namely:

It is in the acceptance of this basic policy of peaceful co-existence, that we can find the only road to lasting peace, friendship and co-operation between the peoples and states of the world.

so that it would read, if he were speaking today:

I knew Stalin was murdering thousands, including many of the race from which I sprung, but my years of training in communistic dialectical materialism are such, that it became necessary for me to mesmerize myself and my followers into believing that the current policy was the right one.

And I think, Mr. Speaker, in closing, my predecessor would have said today, if he were here:

In closing, please remember that any resemblance between what I have stated here today, and what may be the policy I expound next week, is not guaranteed.

And in concluding, Mr. Speaker, I feel that I cannot do better than to quote the words of Alexander Pope, when he said:

Some praised in morning, what they
blamed at night.

But always think the last opinion
right.

HON. G. H. DUNBAR (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

1. Report of the Presqu'ile Provincial Parks Commission for the year ended December 31, 1954.

2. Report of the Presqu'ile Provincial Parks Commission for the year ended December 31, 1955.

MR. SPEAKER: Orders of the day.

HON. L. M. FROST (Prime Minister): Mr. Speaker, may I remind the hon. members of the House that there will be a night sitting tonight, and one called for tomorrow night.

The House, upon Order, resolved itself into Committee of Supply.

ESTIMATES, DEPARTMENT OF LANDS AND FORESTS

HON. C. E. MAPLEDORAM (Minister of Lands and Forests): Mr. Chairman, in presenting the Estimates of The Department of Lands and Forests I should like to make a few remarks of a general nature before going into the requirements in detail.

In dealing with the present and future of our renewable resources, I think it will be agreed that we are in the face of an important part of the life of this province. The health and prosperity of these resources and the thousands of industries dependent upon them, to my mind, concern every last one of us in Ontario. Renewable resources are an integral part of our provincial and our national economy. Their welfare is paramount and transcends all personal or party considerations.

Because of the tremendous potential of our forests, streams, fish and wildlife, and because of the increasing value, the increasing demand and the fast-growing and multiple uses of wood in industry, we in The Department of Lands and Forests have a vital and demanding job to do. To do it thoroughly and efficiently, we will require the whole-hearted support and co-operation of every hon. representative in this House and, indeed, of every individual in Ontario.

I should like to review here highlights of the work of the various divisions of the department for the past year, so that a broad perspective may be provided as to what lies ahead. In doing so, I will outline among other plans for the year ahead, the project for forest regeneration, a programme in which several

branches of the department will co-operate to the furtherance and integration of all, the various aspects involved, such as timber management, reforestation, research and forest protection, as well as provision of access roads imperative to protection and development.

DIVISION OF FOREST PROTECTION

As the hon. members of this House will remember, we experienced in 1955 one of the most trying forest fire seasons in our history. We met the challenge, we believe, with a great deal of credit to everyone who helped in the protection of our forests—and I refer not only to our own personnel but also to the public who co-operated with us.

May I remark here that, all too often though, we hear someone say: "Your forest fires are bad this year, aren't they?" Our forest fires? The public must continue to be reminded of the fact that 90 per cent. of our accessible forests are Crown property which means public property. When forests burn, we all suffer loss. Our over-all economy is affected—production, employment, purchasing power and all the other many aspects of our prosperity.

I should like to review here how we approached the 1955 period of exceptional hazard and outline the results of our efforts. We learned in the 1955 test, too, how we can improve our forest protection system against the emergencies which, it seems, are fated to arise, year after year, come spring and come fall.

We must take account of the human wastage involved as a result of long hours under fire, as it were, with attendant physical strain. Improvements are in prospect, too, in transport, in feeding fire-line crews and, of course, in fire-fighting techniques.

Heart attacks, physical exhaustion, stress in all forms, normal hazards of forest fire fighting, were so evident during the 1955 fire season that special attention is being devoted to the human factor in forest fire suppression.

In a survey of man-power wastage resulting from long stretches of work

during periods of high fire hazard, district foresters report to headquarters here that while few deaths could be attributed directly to fire fighting, possibility of later breakdown must be anticipated.

During 1955, more than 2,200 fires were reported. The burden was particularly heavy on chief rangers and protection specialists, most of whom are middle-aged. Many fire bosses had to be relieved and given lengthy rest periods.

Indicative of the general situation found by district foresters is this extract from the report of the Swastika district:

"The strain of many years on fire protection duties, long hours on the fire line and the more hazardous strain of waiting for them is an intangible, immeasurable demand which may, in later years, cause a breakdown in personnel. A number of the 50-year and over personnel had to be relieved of fire fighting duties due to the possibility of over-strain. Two unusually active fire bosses have been on sick leave all summer. Many of the administrators develop extreme irritability after a short period of high and extreme fire hazard."

Cochrane reported: "All normal work came to a standstill and we are still not completely caught up on what was neglected. The strain, both physical and mental, affected everyone and, we feel, influenced the accident rate.

"Two others, the chief ranger and the deputy chief, were ordered off work by the doctor; one towerman, an old-timer, found the smoke and long hours too much and after a few days in the hospital had to be booked off work in mid-season. At least 5 other men were actually played out. No doubt many others came close."

Port Arthur reported: "Some of our men in positions of authority might have collapsed from overwork if they had not been told to slow down. Unfortunately some of them try to do too much of the leg work themselves when they should be planning the attack, particularly when the fire is spreading. All of our men on fires worked extremely hard, and on one or two occasions ex-

pressed some discouragement. They were warned on the spot that the situation was never hopeless in spite of the fact that we had to retreat at times."

White River: "Numerous cases of over-exertion were reported although there were no major breakdowns. 'Most seriously affected,' reports said, 'was the inexperienced bushman who could not pace himself or was unfit for the job in the first place. Getting to the fire in inaccessible country is often harder on the men than fire fighting.' Cargo dropping is used whenever possible, but more helicopters and the development of mobile equipment capable of bush travel would help considerably.

"Mental strain, especially on chief rangers, can be extremely heavy during bad fire years. We have noticed during high fire occurrence that smaller matters often tend to bother chief rangers more than planning strategy and fighting fire."

Sudbury office reported: "Many of our men worked exceptionally long hours. This was particularly true on the part of our chief rangers who carried a great work load during these periods.

"These men have the responsibility of carrying out all services of the department within their divisions and their work load is very heavy. District office is now so organized that nearly everyone can get some relief during these periods, but this is not so with the chief rangers."

In Pembroke district the chief ranger "showed definite signs of strain almost to the point of exhaustion." During the 1953 fire season, he was "sick for about a month following a very severe fire condition. Both that year and this, his physical condition was directly attributable to the strain of a heavy fire season."

Two deaths from heart attack were reported among fire fighters, and a pulp and paper company forester, with the pilot of a commercial helicopter was killed in Chapleau district en route to survey salvage possibilities.

Means of relieving strain among senior officials particularly are now being studied closely by head office personnel.

1955 season: A much-below average snow water content, the rapid disappearance of snow with much higher than average temperatures creating rapid run-off and evaporation of moisture, set the stage for an extreme spring fire hazard. Normally, the spring hazard is of short duration due to the advancement of green growth and normal precipitation. Such was not the case during 1955 and from the time the last snow disappeared until late August, the province was faced with the most sustained and intensive forest fire situation on record.

Some 2,247 fires occurred burning an area of 385,520 acres.

A comparison with previous years' records show the following:

<i>Year</i>	<i>No. of fires</i>	<i>Area burned (acres)</i>
1936 (worst on record)	2,264	1,264,433
1948	2,036	1,017,389
1954	881	56,693
1955	2,247	385,520

Of the 2,247 fires, 801 or 31 per cent. were held under $\frac{1}{4}$ acre; 2,142 or 95 per cent. were less than 100 acres in size; 28 fires were between 500 and 1,000 acres; 20 fires were between 1,000 and 10,000 acres, and 8 fires exceeded 10,000 acres. The largest fire burned 120,000 acres or 34 per cent. of the total and was caused by lightning.

Lightning caused 923 fires or 41 per cent., which burned 261,223 acres or 70 per cent. of the total burned area.

Other causes are as follows:

<i>Cause</i>	<i>Fires</i>
Campers	389
Smokers	294
Railways	189
Settlers	148
Miscellaneous	148
Logging operations	57
Unknown	33
Incendiary	31
Road construction	13
Mining operations	11
Prospectors	11

Classification of the area burned is as follows:

	<i>Acres</i>	<i>Per cent.</i>
Mature growth	105,493	27
Young growth	89,318	24
Burn, blowdown and non-forested	190,709	49

Throughout the emergency, the complete provincial fire protection organization functioned as a unit. Aircraft, equipment and experienced personnel were funnelled into the hard-hit areas under a system of complete flexibility.

Aerial water bombing, cargo dropping and every known means of aerial and ground attack were brought into play.

Small well-equipped fire fighting crews were carried on air patrols ready to take immediate action on any fire detected.

New types of crawler equipment and trailers and the latest pumping equipment and hand tools were used to the best possible advantage.

The situation was continually aggravated by an extreme drought condition and the numerous fires which resulted from nearly every lightning storm.

Excellent co-operation was received from other organizations and the general public.

The civil defence organization contributed a tank pumper. The Hydro-Electric Power Commission generously provided helicopter assistance in several emergencies. Forest industries supplied men, bulldozers and other equipment. Commercial aircraft, including TCA, assisted in transportation of equipment and personnel. Suppliers of fire fighting equipment and provisions worked long hours to provide these essential items.

The weather bureau of the DOT assisted greatly by providing special forecasts. The press, radio, and TV stations performed a valuable service by keeping the public well informed of the actual situation. The Ontario Provincial Police contributed in no small way by assisting in traffic control, investigation of fire causes and general law enforcement. The clergy co-operated by issuing special appeals to their parishioners.

An arrangement with The Department of Reform Institutions whereby selected groups of prisoners were instructed in the use of equipment and made available for fire fighting duty proved successful and we hope will be continued.

Throughout the entire operation, we are pleased to report that although on several occasions small communities were threatened, none were burned. The danger points were centred around Hornepayne, Peterbell and several small communities between Cochrane and Hearst.

It is with deep regret that we report the loss of two lives through drowning. Neither were actually engaged in fighting fire at the time the tragedies occurred.

In trying to get a view of the 1955 fire season, attempts are often made to draw an analogy between a municipal fire department and a forest fire fighting organization. A proper mind picture would more nearly be that of comparing London in the Battle of Britain where a whole city becomes on fire. To give a more actual comparison, the whole area from the west of Toronto to Oshawa completely in flames at one time gives a better idea of what a forest fire organization has to cope with.

Equipment and facilities: The question is asked: Did we have enough equipment? Generally speaking, the equipment was adequate and in sufficient quantities. Every fire was serviced as it was discovered and reserves of equipment sent in as fires became beyond control. It should be noted that the tremendous flexibility provided by our air service allows equipment to be brought from any part of the province to any other part in a matter of a few hours. As one district becomes dangerous, equipment is taken from quiet districts to danger spots and during the summer our reserves were constantly built up through purchase of new equipment. The department has, throughout the north, some 400 depots where equipment is stored at strategic locations and from where it can be moved should danger arise.

Protection from forest insects and disease: The normal close co-operation between The Department of Lands and Forests, Ontario, and The Department of Agriculture, Canada, in the field of forest biology continued in 1955. The 3 major problems, spruce budworm, European pine shoot moth, and white pine blister rust were kept under constant scrutiny. Blister rust control programmes were continued in the Tweed and Lindsay forest districts. In addition, the control programme directed at the European pine sawfly in south-western Ontario was expanded.

Many of our most serious problems are still in the research phase. We are hopeful of a solution to the spruce budworm and European pine shoot moth problems.

Contemplated programme for coming year: Preparation is being made through an extensive maintenance and purchasing programme to bring equipment resources back to estimated normal requirements following the severe 1955 fire season.

Arrangements are completed for the purchase of two additional Otter aircraft. Two helicopters in addition to the two for which arrangements have been completed, will be used in 1956.

Also included in the Estimates is a request for additional funds to provide for a very essential increase in the seasonal ranging staff. Ten new steel lookout towers will be erected. The province-wide radio network will be considerably improved by the addition of new equipment. Special consideration is being given to fire protection requirements in southern Ontario in order that effective control measures will be in existence in the event of any emergency.

The 1955 season had beneficial results providing a good deal of the information necessary for the general strengthening of the forest fire control system throughout the province.

We have created a new approach to the forest protection problem in southern Ontario. It will deal particularly with woodlots. It will be devoted to training local people how to handle fires in wood-

lots on what are predominantly private lands.

One further change is being completed for this year—we are adding to the fire district a section of Bruce county which, while privately owned, is largely timbered. Once this area is added to the fire district we will make arrangements with municipalities so that action is taken on all fires as rapidly as they occur. By these two steps, that is, adding to the fire district where desirable and secondly, by organizing the efforts of private lands in the south much of which will be in co-operation with the fire marshal, we treat the forests of Ontario, whether private or Crown, as one great unit which should be of benefit to the entire economy of the province.

Extra co-operation: Through arrangements with The Department of National Defence, 4 Otter aircraft and two large helicopters, a Sikorski S55 and a Piaseki H21, were placed at the disposal of our fire fighting organization in the Cochrane and Kapuskasing districts and remained with us throughout the emergency. The RCAF personnel operating this equipment made a fine contribution to the fire suppression action in remote areas where aerial action demanding the use of helicopters and fixed wing aircraft was most essential.

In the Pembroke district, army personnel were loaned for forest fire fighting duty and assisted greatly in the control of fires in that area. The co-operation received from the armed services both in the air and on the ground is highly commendable.

May I express to everyone in Ontario my sincere appreciation for the splendid co-operation we received throughout the summer by all of our citizens in assisting in this annual fire problem which last year assumed almost disaster proportions.

FOREST PROTECTION—SALVAGE

Even while last year's forest fires were burning, plans were being made to salvage all possible materials from the forest areas affected.

DAMAGE

It is estimated that the volume of merchantable timber damaged by fire is about 171 million cubic feet. It should be stressed that when a fire occurs it usually damages the tree so that it becomes fire-killed timber. There are very few fires that actually burn up a mature tree. Fire damaged timber is salvageable.

A survey of all districts north of the French and Mattawa rivers was made to determine the estimated acreage of salvageable timber on burned over areas in each district.

An estimate of the acreage involved is presented by districts.

Sioux Lookout: There is no salvageable timber on burns in this district due to either smallness of area or inoperability due to remoteness.

Kenora and Fort Frances: There were no large fires in either district and no salvageable timber on areas burned.

Port Arthur: Port Arthur division fire No. 18 contains some 400 acres of salvageable timber, as well as MacDearmid division fire No. 17 with 500 acres, and Black Sturgeon division fire No. 4 with 2,400 acres of salvageable timber. Thus there is a total of 3,300 acres of salvageable timber in the district.

Geraldton: No fires occurred containing salvageable timber.

Kapuskasing: Kapuskasing fire No. 5 in Agate township burned over an area of 3,000 acres. Of this area, 1,500 acres are considered to contain salvageable timber. Kapuskasing fires No. 6 and No. 7, Bradley township, burned an area of 19,500 acres containing 7,000 acres of salvageable timber. Both burns are in the Spruce Falls concession area.

Cochrane: Although there were several fires which burned over a great area in the Cochrane district, most were either very distant from any operating area and thus are inoperable or there was no merchantable timber burned.

The only area considered salvageable at the present time is in Ottaway township, being an area of 25 acres.

Swastika: 1,500 acres of salvageable timber on Timmins division fire No. 6. Salvage is now under way.

White River: Mobert fires No. 6 and No. 12, containing 225 acres and 60 acres respectively, and Franz division fire No. 2 with 130 acres, constitute the salvageable timber on burned over areas in the district.

Sault Ste. Marie: Although the district has not had an opportunity to assess the timber damage there are 4 fires which contain salvageable timber. They are Blind River fires No. 23 and No. 54 containing 110,000 acres and 20,000 acres respectively. Sand Lake fire No. 27 burned over 12,000 acres and Sault Ste. Marie division fire No. 12 burned over some 5,000 acres.

Chapleau: At present, salvage rights have been awarded to H. Selin on the 65,000 acre Admiral township fire which was Chapleau division fire No. 2.

Investigation of salvage possibilities are being carried out on Chapleau division fire No. 24, Stover township, which burned over some 1,200 acres. Salvage rights have been awarded to Sheppard and Morse Ltd. on the 4,000 acre township No. 22 fire.

Sudbury: All salvageable timber on Sudbury fires occur in the KVP concession. The fires are as follows: Espanola division fire No. 36, 2,000 acres; No. 38, 200 acres; Skead division fire No. 56, 250 acres.

Gogama: Only one fire is considered to hold salvageable timber in this district. It is Gogama division fire No. 22, Silk township, containing 1,090 acres of salvageable timber from an overall burned area of 3,600 acres.

North Bay: North Bay division fire No. 44 burned over 270 acres of salvageable timber in Pardo township. An estimate of the timber involved is as follows: white pine, 314,000 f.b.m.; red pine, 10,000 f.b.m.; jackpine, 59,000 f.b.m.

Salvage operations are presently under way to harvest the accessible areas.

Salvage operations under way at the present time are:

Missisagi: Operations are being conducted on 125,000 acres by J. D. McFadden Co., and will approximate 50 million feet this coming season. Roddis Co. on the same area have put in roads, constructed a sawmill and they expect to extract between 25 million to 30 million feet.

Chapleau district: Shepherd and Morris are operating on a fire damaged area for white and red pine within the Abitibi concession.

North of Chapleau on the Admiral Lake fire area, an area of 65,000 acres is being operated by Selin Forest Products who in turn brought in Aristide Boisvert. The minimum quantity is 150 million feet. Operators hope and expect to take out more than that.

Fire area on the west side of Lake Nipigon being operated by Nipigon Lake Timber Company (D. A. Clarke) about 15,000 cords of fire damaged jackpine and some spruce.

In the important matter of salvage, as in many other aspects of forest management, we have been always alive to the importance of benefitting wherever we could from the experience of other experts and authorities in our own country and elsewhere. We are making use, wherever it is deemed advisable, of the services of outstanding consultants and advisers.

Our senior staff men have been sent to all parts of this continent and overseas to learn what others are doing. For example, the chief of our division of timber management was sent to Switzerland, the chief of our division of law and the chief of our division of surveys and engineering, the surveyor-general, to England, and others to California and to the southern pulpwood-using United States. Prof. Love and his associate from the University of Toronto surveyed this latter field in the United States in the interests of utilization of our hardwoods in the pulp industry.

It is not that we are behind these other organizations which we are studying. Far from it. For instance, our regional

forester, Mr. Keith Acheson, who went to California had this to say in his report just a few days ago:

"Their organization set-up is similar to ours. The state (California) is divided into 6 zones or districts with from 4 to 7 ranger units to each zone. The state has a total of 31 ranger units. There are 10 crew stations per ranger unit.

"Studying the plan from its effectiveness as a fire-fighting organization, the emphasis is on fast mobile crew. Consequently, each unit is broken down into crew stations, each of which is capable of handling at least one or two fires. Average number of men per crew is 8.

"The average travel time for 2,000 fires between discovery and action is 15 minutes, therefore the crews are very mobile and fairly close together, and the communication by short-wave radio very good."

Mr. Acheson also notes in California that there are 3 youth camps and 9 department of correction forestry work camps to provide about 900 trained fire-fighters. "The prisoner labour" he reports, "is comparable to our penitentiary prisoners. They are all on honour system; the controls are strict but not rigid.

"Most are long-term prisoners and the success of the project would be worth some study by our Department of Reform Institutions.

"Fire-fighting does not differ in actual technique; only tools are different. They use tank trucks and bulldozers a great deal more, and fewer portable pumps. The reason is that they have a definite lack of water. Therefore, their largest capital outlay per establishment would be for bulldozers and tankers—against our high outlay for pumps and hose.

"I visited Arizona and New Mexico. The former has problems . . . much like ours. The difference in results lies with the number and effectiveness of the forest protection establishments, not with the fire organization and techniques. Our department has the equipment."

Mr. Acheson remarks that in California, their experiments in aerial fire-fighting are much the same as ours

"except that they have not used water bombs on an actual fire."

DIVISION OF LANDS

For the management, protection and full development of Crown lands, the public lands regulations became effective in May, 1953. The division of lands was set up at that time as a separate division from that entrusted with the management of parks and recreational areas.

The growing importance of a proper utilization of land for agricultural, industrial and recreational purposes and particularly the increasing demands for public parks free from commercialism and private usurpation made this desirable.

The functions of the division of lands consist primarily of selling, leasing and licencing Crown Lands for farming and allied uses, for summer resorts and summer cottages and all other purposes excepting land for dam sites, rights of way for power and telephone lines and hydro power development.

It is concerned with land use planning to ensure that land disposed of for farming is suitable for that purpose, and that all factors relating to the establishment of resort areas are fully considered in relation to the broad plan of resources management.

Land is used for a variety of purposes and in most cases it was subjected to multiple use. Our forest lands are good examples of this type of varied utilization. Their products range all the way from timber to fur, fish and game.

One of the most important uses, of course, is for recreation. Our vacation lands are the basis of our great tourist industry.

The members will recall that in June 1953, committees were set up in each forest district to act in an advisory capacity on recreational land use. We tried to have these committees representative of all interested groups. In addition, we called upon all those who were in a position to supply specific technical information and advice. We also had the assistance of the local member of the

Legislature and the local Highways Department engineer.

The result of the work of these committees was the formulation of a new plan. The plan aims to control the development of recreational areas so that expansion may keep pace in orderly fashion with the trend of growing needs. The department realizes that the situation will not remain static and that periodic review and advice will be required. In accord with the plan, considerable progress has been made. The province has been zoned.

Generally speaking, the zones fall into 3 groups: The wilderness zone, the deferred zone and the potential zone.

The wilderness zone is an area which is only accessible by canoe route or air transportation. Since these beautiful wilderness zones are among the few remaining on this continent, we are protecting them jealously against any future encroachment. For the most part they are in a virgin state and are reserved for transient sportsmen. They are closed to any kind of a permanent camp, either private or commercial.

It is realized that the crop of fish and game in these areas should be harvested. To accommodate the people who wish to fish and hunt, we issue land-use permits for tent camping sites.

The deferred development area is an area recently cut over or in which there is a high fire potential due to insect damage. The development here is usually deferred for a stated period of time. These areas are also closed to private or commercial camps.

The potential zone is an area comprising navigable waters and terrain suitable for tourist outfitters' camps, to be developed and protected as far as possible as a fishing and hunting area. This zone becomes progressively an "L zone" in which the number of outfitters' camps is regulated and finally a "C zone" which is closed to further commercial development based on the fishing and hunting resources. No control is exercised over the private camps.

Another type of zone is called a municipal zone in which the authority for the

regulating of the number and location of tourist camps is under the municipality. A residential zone permits only private camps and summer homes but does not have wide application. A vacation zone applies more frequently in the southern parts of the province, in areas considered suitable only for summer hotels and vacation resorts. Here there is no restriction on these camps based on the resources of game and fish.

All parks and some of the game preserves have been included in a special "shut zone." These are closed to private and commercial camps of any kind and land use authorities are restricted to very special other purposes, but no alienation of Crown land.

Another type of zone which is recommended by the committee in the Parry Sound area is known as an area of no further development. These areas have a small amount of patented land in them and no further distributions are being made. These have been set aside as possible park areas, should the demand arise at some future time.

To ensure that our land be properly used is fundamental to our economy because it is the basis of our resources. We may well take warning from what is happening to some of our best agricultural areas upon which industry, for example, is steadily encroaching. Especially is this evident in southern Ontario in the wake of increasing population, expanding industry and so on.

The loss of good farm land to other uses at a rate which may have very serious repercussions on future populations is being felt in the United States as well as in our own country.

In the *Saturday Evening Post* last October, one unofficial estimate put at one million acres the farm land lost last year to housing developments, industrial plants, highways, airports and other public and private operations.

The California agricultural-extension service describes the loss of fertile land to non-farm uses as a "major conservation problem." Three California counties have recently adopted zoning pro-

grammes to protect their better agricultural land.

Echoing what we are already doing in Ontario, the *Post* article says: "Most of those concerned about the trend feel it is time to think about land-use planning, or zoning. In this way the best land can be reserved for agriculture, with urban, industrial and other non-farm development diverted toward the less productive land."

Fertile land is a limited resource. We must remember that.

DIVISION OF PARKS

With the rapid expansion of our provincial parks system, additional funds are required to cover surveys, technical planning personnel, increases of staff in the way of superintendents, caretakers and mobile maintenance crews.

The number of our parks has increased in the past year from the original 6 to a total of 75 and all these parks must be maintained in a proper state of order and cleanliness. In addition, to meet the anticipated increase in public use of the parks, it is desirable that facilities and services be installed and brought up to a minimum standard. New funds are therefore being provided in the appropriations of The Department of Public Works to cover the purchase and/or installations of up-to-date modern facilities and equipment.

It is proposed that the larger provincial parks, namely, Quetico, Algonquin, Sibley, Presqu'île, Rondeau and Ippewash, will undergo considerable improvement in the way of additional parking grounds, camping and picnic areas, bathing beaches, etc., with the corresponding need for buildings and services. Other newly acquired properties, such as the Serpent Mounds on Rice Lake, Kakabeka Falls, and the larger of the 45 former Department of Highways parks, will require proper master planning and the installation of parking areas and public facilities. The numerous small parks will be gradually improved and will be serviced by mobile units.

The importance of our park lands increases in direct ratio to the increase in the number of people who need to use them. Moreover, improvement in highway systems and motor transportation increases the accessibility of wilderness areas and "back to nature" becomes a fact for millions and not just a health slogan. Shorter working weeks have brought more leisure, too, to permit our people greater enjoyment of the finest recreation lands to be found anywhere.

We have moved already to return our wilderness areas to their original state, warned by the rapid limitation of such areas elsewhere. Algonquin Park, Quetico Park and other such vacationlands will stand as monuments to this foresightedness.

This move has won general approval, and has been warmly praised by our good neighbours south of the international boundary.

For example, *The North Woods Call*, a Michigan state weekly, speaks of the need of preserving "the last stands of virgin pine, the crystal-clear trout streams" for posterity and issues this warning:

The first insidious nibbling away of lands dedicated to public use by fishermen, hunters and vacation seekers has started.

In Ontario, our neighbours are more foresighted and less commercially greedy. While the United States sets the stage for the giveaway, Ontario turns the clock back and on its great acres of publicly-dedicated lands, starts progress to turn the forests back to their primeval loveliness, from the threat of too much civilization.

Under the new parks policy, the province has been zoned and all districts surveyed to determine possible lands for parks use and to delineate wilderness areas and protect them from alienation through future sale. Parks policy was reviewed during the year and an orderly plan drawn up, bringing procedures into line with best available parks practice. Administration of Department of High-

ways parks is being taken over and these areas also have been surveyed and a uniform policy of operation laid down. Potential parks lands have been set up on a priority for acquisition. Control of aircraft in Algonquin and Quetico Parks has been achieved in co-operation with The Department of Transport.

Legislation already is before the Legislative Assembly for formation of a parks board to clarify parks policy throughout the province, including St. Lawrence and Niagara Falls park lands.

DIVISION OF SURVEYS AND ENGINEERING

Magnitude of new investments and developments of the natural resources of the province has increased the work in all of the branches of this division.

The largest programme in recent years of the extension of the network of meridian and base lines for the control and mapping from aerial photography was undertaken during the year. The thirteenth base line at approximate latitude 52 degrees and 30 minutes was surveyed, extending from the Ontario-Manitoba boundary east, a distance of 174 miles.

At approximate longitude 92 degrees a meridian was surveyed north from the thirteenth base line a distance of 48 miles to establish the fifteenth base line. This base line was produced west a distance of 32 miles. The sale of Crown lands for summer resort locations made it necessary to increase the number of resurveys of old township surveys to establish obliterated lot corners.

There was a marked increase in the demand for maps published by this department and those of the National Topographical Series. The district offices have prepared tracings on a scale of two miles to an inch of areas not covered by the National Topographical Series. Booklet (Form s.82) was issued illustrating the definition of frontage, side, width, regular area, irregular area, minimum and maximum areas of land to be disposed of for private and commercial summer resort locations on Crown lands.

A Manual of General Survey Instructions (Form s.84) was prepared and issued governing the survey of summer resort locations and water lots as required by this department.

A new map was prepared and published showing the electoral districts in accordance with the provisions of the Act respecting representation of the people in the Legislative Assembly. Also a new map in full colour, of the fast developing districts of Algoma and Sudbury. Covering a land area of 20,500 square miles, it is unique in the comprehensive nature of the information it contains. The map of islands in Timagami Lake has been revised showing the details of topography obtained from aerial photography. A new map on a scale of two miles to the inch is being prepared for Quetico Park in anticipation of the influx of tourists to that area.

Due to the interest in conservation of water resources in the southern part of the province, new dams have been constructed and old dams improved or rebuilt. There has been a decided increase during the past few years in requests from the public for information concerning the construction of private dams and farm ponds and the requirements of this department with regard to approval of such construction. Copies of the extracts from The Lakes and Rivers Improvement Act were sent to all applicants.

Sixty miles of township outlines were surveyed in the Manitouwadge area, to block out the improvement district created there and necessitated by the mining activity in that area. A total of 1,700 summer resort locations was surveyed in the various parts of the province. Retracement surveys were carried out in the district of Parry Sound and the county of Peterborough.

As the hon. members of this House are aware, an inventory of the main accessible forest area of the province was completed in 1953. Work has been proceeding on the completion of the inventory for the northern inaccessible forest area.

In connection with the forest resources inventory, a total of 234,905 square miles has been covered by aerial photography to January 1, 1956, at a scale of $\frac{1}{4}$ mile to an inch and 49,045 square miles at a scale of $\frac{1}{2}$ mile to an inch, making a total of 283,950 square miles of forest area photographed since 1946, as follows:

meridian lines for control for mapping of aerial photographs in the north-western part of the province. Arrangements are being made for the survey of 1,600 summer resort locations in various parts of the province.

The revision of the map of southern Ontario on a scale of 8 miles to the inch will be continued and it is expected

<i>Contract</i>	<i>Years</i>	<i>Sq. miles</i>	<i>Sq. miles</i>	<i>Sq. miles</i>
Photographic Surveys	46/50		127,470	
	53/54		17,198	
Aero Surveys	55/56		144,668	
			12,000	
				156,668
<i>By staff of Department of Lands and Forests:</i>				
	46/47	5,040		
	47/48	6,697		
	48/49	4,462		
	49/50	4,748		
	50/51	648	6,800	
	51/52		11,400	
	52/53		6,200	
	53/54	11,084		
	54/55	6,733		
	55/56	14,425		
		53,837	24,400	78,237
Scale ½ mile to an inch				234,905
<i>Contract</i> Spartan Air Service				49,045
				283,950

The remaining 800 square miles of the southern part of the province will be photographed on a scale of $\frac{1}{4}$ mile to the inch and 10,000 square miles of the northern part of the province will be re-photographed of areas which have been cut over and burnt since the photographs were taken 10 years ago. It is estimated that 60,000 prints will be required from aerial photographs which have been taken for mapping purposes and to be supplied to timber operators and mining companies.

The surveys will be required of parks that are to be acquired and administered by this department. It will be necessary to retrace township outlines in connection with mining activity in the Hastings and Haliburton area. It is proposed to survey 170 miles of base and

that the work will be completed in time to have it printed early in 1957.

FISH AND WILDLIFE DIVISION *Activities in 1955:*

1. *Pacific salmon.* The programme begun in 1954 to determine the possibility of introducing Pacific (chum) salmon into Ontario waters was carried out in 1955. One million eyed-eggs were obtained from the Samish state hatchery in Washington, U.S., and transferred to the Port Arthur hatchery, where they were cultured for subsequent transfer and planting in the eyed-egg and fingerling stages in the Winisk and Attawapiskat rivers in the Hudson and James Bay watersheds. The purpose is to establish a desirable commercial species in this inland sea, which is presently relatively unproductive of fish.

2. *Sea lamprey.* In addition to the contribution made by the Great Lakes federal-provincial research committee on Lake Superior and with particular reference to the control of the sea lamprey, The Ontario Department of Lands and Forests continued operations on streams tributary to the lower Great Lakes. The take of lamprey from these streams in 1955 was 13,309.

3. *Fish Management.* The department continued its general programme respecting fish hatcheries and rearing ponds with the purpose of raising desirable game and commercial fish for introduction to or restocking of public waters. Biological surveys of lakes and streams were continued as a basic requirement of all fish management. Other important management practices carried out include the harvest and transfer of black bass, the removal of coarse fish, the tagging of fish and creel census studies, the reclamation of lakes by poisoning, and the assistance with the development of farm ponds. The primary aim of these programmes, and of fish management in general, is to obtain the highest possible sustained yield from our fish stocks.

4. *Commercial fishing activities.* (a) A survey by the department personnel of the storm damage of March 22, 1955, on Lake Erie and Lake St. Clair, to determine the amounts of loss to the commercial fishermen. (b) As indicated last year, experimental analysis was carried out in 1955 on commercial fish statistics through the use of IBM statistical systems.

(c) Co-operation by the department personnel and commercial fishermen to salvage and transfer game species and to take commercial species from impoundments which were being pumped dry. These impoundments were created by the St. Lawrence Seaway development. (d) The Lake Superior lake trout harvest for 1955 shows a definite evidence of lamprey predation. (f) The whitefish production in Georgian Bay, which had for 3 years been phenomenally high, dropped considerably in 1955.

5. *Big game.* During the fall of 1955, licenced hunters in Ontario enjoyed an

increased bag of both deer and moose over past years. With the exception of a few isolated districts in southeastern Ontario, deer hunting conditions improved and more hunters were successful in taking more deer. Our records indicate that the moose herd is still on the increase, with the result that more liberal seasons and bag limits have been possible each year since the season was opened after a two year closure in 1949 and 1950.

6. *Fur production.* Fur production is still showing the steady annual advance which has been evident ever since the present fur management programme was inaugurated in 1947. Beaver, fisher and marten have been outstanding in their recovery from an all time low 10 years ago, with lynx, mink and otter also showing increased yields.

Proposals for 1956:

1. *Wildlife management.* (a) The moose inventory, first begun in 1948, will be continued for 1956, using improved techniques in game census; such as the use of the helicopter. The Chapleau area in Ontario is designated as the area for this continued moose inventory and census. It is hoped that information will be revealed respecting the moose populations to warrant the possible extension of the hunting area for this animal.

(b) Under the direction of department field officers, Ontario trappers have been constantly urged to improve their methods of handling their pelts in preparation for the market. Improved techniques will continue to be demonstrated and with an increasing interest evidenced by European fur buyers in Canadian furs, the trapper can look forward to improved market conditions and a satisfactory return for the effort expended on his trapline. The successful live trapping and restocking programme that has been in effect for the past 4 years will be continued, thus making some of the more valuable fur bearers available to an increased number of trappers.

2. *Commercial fishing.* (a) A more intensive use of IBM statistical systems

will be utilized to provide increased statistical information both to the industry and to various research groups. (b) A survey of all commercial fishing licencing, fishing techniques, and fishing gear is to be undertaken and amendments to the regulations in all probability will be made as a result of this survey.

In the recent history of Ontario, there have been 3 outstanding fishery biologists outside the government service. They are: Dr. Huntsman, Toronto University; Dr. Dymond, head of zoology department, Toronto University; Dr. Harkness, professor of biology, Toronto University.

In 1946 the province hired Dr. Harkness to head the new division of fish and wildlife. Dr. Huntsman has been used as a consultant by the Ontario government on Great Lakes fishery work. Dr. Dymond has constantly given us the benefit of his advice and we are retaining him as a consultant for the department.

In the old Department of Game and Fisheries there were two outstanding fishery biologists, Dr. H. H. MacKay and Reg. Werner. When we set up the new division in 1946, each of these men was promoted to head one of the branches; one in charge of commercial fisheries branch and one in charge of inland fisheries of the province.

Thus, Ontario has fully availed itself of the services of all the top ranking biologists in the province, and has gone further and hired directly the services of a large number of biologists graduating from our universities both in Ontario and across Canada. The number of biologists on the staff at the present time is 28. The above are largely administrative officers.

In the research field we have, in our research division under Mr. R. N. Johnston, a large section dealing with fisheries and wildlife and, again in this division, we are using both the facilities of the university, chiefly Dr. Coventry in fish and wildlife and Fred Fry, to mention one of a number in the fishery end.

In the field of biology and fisheries, both administrative and research, Ontario is setting a lead for Canada and, in saying this, I am not excluding the federal government from the comparison.

Tourist vs. commercial fish:

In discussing commercial fish, one should always keep in mind that we are dealing not with one interest but with many. There is always the clash in commercial fish areas between the use of these fish for commercial purposes and the use of the same fish by the angler and the tourist operator. Thus, like many problems in resources management, the department has to try and be fair to the various interests involved.

Rabies epidemic:

On October 18, through the medium of our *Weekly News Release*, we issued a brief warning to deer hunters to have their dogs inoculated against rabies before taking them into the woods. On November 18, again through our *Weekly News Release*, we released a more informative article on the subject of rabies and also issued a directive to our field staff to warn hunters regarding the danger of taking dogs into the woods unless they had been inoculated.

Drs. Harkness, Clarke and Lumsden of the fish and wildlife division of this department participated in a meeting called by the health of animals division, Canada Department of Agriculture, last December on the subject "Rabies in northern Ontario."

DIVISION OF REFORESTATION

In reforestation, we are stepping up production of seedlings in our nurseries to cope with the plainly foreseeable needs which we must encounter as an effective part of assuring wood for the future. Some 28 million units of nursery stock were distributed last year, about 3 million more than in the previous year. More than 16 million of these seedlings went to private land owners. The rest were planted on Crown lands in county, township and conservation authority forests.

Trees are not supplied to private land owners for decorative purposes, as the members well know. They are provided at nominal cost for utilitarian purposes as an establishment of windbreaks, shelter belts and farm woodlots.

Let me give the members of the House a brief survey of what the division of reforestation accomplished during 1955:

Nurseries: The department operates 5 nurseries located at Fort William, Kemptville, Midhurst, Orono and St. Williams. Over 28 million trees were supplied for all purposes from these nurseries during the current fiscal year. In addition, two small nurseries were started at Noth Bay and Englehart. Production targets for future years are now set at approximately 31 million trees. At present about 40 per cent. of our nursery stock is used for planting on lands managed by the Department and 60 per cent. is supplied to private landowners for planting on their lands.

Tree seed: The department collects tree seed required for its nurseries, and operates a seed processing plant at Angus. Cones and other unprocessed seed are collected from trees throughout the province through our district organization. The seed crop in 1955 was classed as fair, and sufficient quantities of seed of some species were not obtainable. It will be necessary, therefore, to collect additional seed in 1956 in order to replenish supplies and build up reserves to meet requirements for seed in years when a good crop does not occur.

Planting on lands managed by the department: During the current fiscal year, approximately 11 million trees were planted by the department. It is expected that planting will be increased by 25 per cent. or 30 per cent. in the fiscal year 1956-57.

Ontario has an agreement with Canada under The Canada Forestry Act whereby Canada agrees to give financial assistance at the rate of \$10 for 1,000 trees planted on "unoccupied" Crown lands provided the rate of planting is maintained or increased. The amount of financial assistance earned in the current

fiscal year is approximately \$110,000. It is hoped the agreement will be renewed and that financial assistance amounting to approximately \$120,000 will be earned for planting in the fiscal year 1956-57.

Management of forests under The Forestry Act: The department managed approximately 110,000 acres of lands for counties, townships and conservation authorities during the current fiscal year. It is expected that the acreage will be increased to 125,000 acres during the fiscal year 1956-57.

Under The Forestry Act, the Minister may enter into agreements to reforest and manage suitable lands for a term of at least 20 years. Under this scheme, the owner leases lands to the Minister for reforestation and management. During the term of the agreement, the Minister has full control of operations on the lands. At the termination of an agreement, the following options may be exercised:

(a) The agreement may be renewed, or (b) the owner may regain full control and ownership of the lands upon payment to the Crown of the net amount expended by the Crown in the reforestation and management of the lands under the agreement, or (c) the owner may transfer full ownership in the lands to the Crown upon payment by the Crown to him of the amount that he paid to acquire the lands.

Private forestry: The department through its district organization, which includes 27 (reforestation) foresters, gives advice to private landowners, municipalities, service clubs, schools and others in planning for reforestation work and in management of wooded lands. There is a heavy demand for such services. It is proposed that these services be maintained and increased within the limits of funds and facilities available during the ensuing year.

Scotch pine nursery stock: The production of scotch pine nursery stock was doubled in 1952 to approximately 5.5 million trees. The Christmas trees resulting from this increased production will not be marketed until 1958 or 1959. The requirements of growers of Christ-

mas trees for scotch pine nursery stock exceeds the supplies available from this department. Many growers are importing scotch pine nursery stock or grow it from seed. The department is not increasing its production of this species until market requirements for Christmas trees can be estimated more accurately. Over-production of Christmas trees in Ontario appears to be imminent.

Certified tree farms: The tree farm committee of the Canadian Forestry Association has established standards for tree farms, to be certified upon recommendation of local tree farm committees. When a tree farm is certified, the owner is provided with a sign to be erected in front of his property. The department is co-operating by allowing its field staff to assist in secretarial work and making reports to the committee on tree farms for which application for certification has been made. About 78 tree farms have been certified in Ontario to date.

TIMBER MANAGEMENT

Fulllest effectiveness in the management of this province's timber resources obviously is dependent upon knowing exactly what these resources are, where they are and what are the prospects for the future. To this end, the forest resources inventory is nearing completion. For the first time in our history, we have before us an inventory of a kind unique on this continent.

Inventory — the first phase: The inventory programme, involving aerial photography, planimetric mapping, photo mapping and a tremendous amount of field work, comprises some 300,000 square miles, almost three-quarters of the province's entire area of land and water.

It includes all the area of the province south of 52 degrees north latitude plus an area of 28,000 square miles on the northwest end of the province between latitudes 52 and 54 degrees.

During the fiscal year ended March 31, 1955, 7,577 square miles of aerial photography was done, 46,658 square miles of planimetric mapping, 6,270

square miles of photo mapping and 12,200 square miles of field sampling.

Under the FRI project there was completed, to the end of the fiscal year, 257,536 square miles of aerial photography, 238,637 square miles of planimetric mapping, 11,000 square miles of photo mapping. Field work was done in 107,449 square miles and final reports published in book form on 16 districts. Since the end of the fiscal year, additional areas of the inventory have been completed, upwards of 20,000 square miles, I believe. Photographing of 800 square miles this year will complete the aerial mapping of southern Ontario.

Management units—the second phase: In the last annual report, reference was made to the division of the province into 123 management units of which 36 were formed by large company licences and 87 were formed as departmental management units.

As of March 31, 1955, there are a total of 117 units—36 company and 81 departmental.

Project regeneration—the third phase: Now that we know where we stand in respect of the quantity, species and other aspects of our forest resources, we feel that we are well equipped to make a new and broader approach to the most important problem of over-all forest management.

By forest management, we mean the whole field of timber cutting, the replacement of the existing crop and the best protection of this new crop from the menace of fire, disease and insect infestation.

Under our new project which we call "project regeneration" we are selecting across the province areas for attention and regeneration in our red and white pine forests, in our birch forests and in our spruce and jack pine forests. We are harnessing the efforts of government and industry to bring about the most worthwhile results through this comprehensive management plan.

As will be readily understood, such a broad and ambitious programme will call for the co-operative work of a number of departmental divisions.

Integrated in the plan, therefore, will be division of timber management, reforestation, forest protection and research.

Fulllest protection of standing timber and oncoming crops is imperative. To this end, accessibility both for harvest and protection also is imperative.

Last year, one of the principal items in our capital expenditure was \$500,000 for access roads. Because of the severe forest fire season, the full programme was not possible in the access roads plan and only \$140,000 was expended. We are asking that the \$360,000 balance be again voted this year.

Forest industries in Ontario cut between 300,000 and 400,000 acres each year, of which an estimated 20 per cent. will not regenerate to desirable species by natural means. In addition, large areas have become unproductive through fires and other causes.

We have therefore included an amount of \$555,000 in the Estimates to increase and speed up regeneration of desirable species on these lands. In making this initial expenditure the government as trustee for the people of Ontario is giving emphasis to its interest in maintaining these valuable forest resources.

The programme in this year will include: (1) Modifications in cutting operations and other steps by licences to maintain the productivity of the lands cut over by them. (2) Treatment of soils and scarification of areas to encourage regeneration by seeding. (3) Planting trees and sowing seed, and provision of additional seed and nursery stock for planting in future years. (4) Release cuttings to stimulate growth of trees on areas where regeneration is already occurring. (5) Increased protection from damage through insects, disease, and fire.

DIVISION OF OPERATION AND PERSONNEL

The division of operation and personnel is charged with personnel and office management, the intensification of the conservation effort of the depart-

ment and the preparation and distribution of all general information concerning the activities of the department.

The division was created to centralize these functions, effect standardization, and co-ordinate procedures so as to provide economical and efficient administration.

Some of its primary functions are to provide and maintain a suitable staff and furnish this staff with the accommodation and tools with which to carry out their work effectively.

The work of the chief inspector in carrying out field inspections and special investigations is directed entirely by the division chief.

The division is divided into 4 sections viz: personnel management, office management, conservation information and conservation education.

Personnel management: One of the functions of this section is the selection of staff which is made largely from applicants to the office of the civil service commissioner who possess the necessary qualifications to fill positions. In some instances, however, applicants come directly to the department.

In accordance with instructions from the office of the civil service commissioner, every effort has been made to give preference to ex-servicemen and women. In this connection I believe you will be interested in the fact that 804 of our male staff and 6 females are war veterans and in fact 51 per cent. of the male staff of the department are veterans.

It is also the department's policy to encourage in every way career minded applicants who indicate their intention to fulfill their "life's work" in department employ.

The number of technical personnel now employed by the department is as follows:

Foresters	174
Biologists	39
Civil engineers	5
Miscellaneous	26
<i>Total</i>	<u>244</u>

In addition, we have 392 licenced scalers and 379 ranger school graduates on our staff.

Junior forest rangers: The junior ranger programme, we believe, is one of the finest examples of youth training of its kind to be found anywhere.

The business of forest protection is one of the primary functions of the department. Manpower requirements of the nation in time of war adversely affected that particular function. With the constantly increasing demand for trained men after the termination of the war, the department conceived the idea of employing youths of high-school age as a supplement to the department's seasonal forest ranging staff. From this developed the policy of employing youths of 17-18 years of age during the summer season, and instructing them in the work.

The accomplishments of the first group were sufficiently satisfactory to justify the enlargement and continuation of the processes, inasmuch as the manual labour performed by these unskilled but vigorous youngsters relieved trained men for more important duties, particularly during the period of the worst forest fire hazards.

Each year a number are chosen from a large group of applicants. When selection is made, the applicant is directed to report to one of the northern administrative districts, where work and training is laid out for the group or groups of junior forest rangers, under a foreman and, if necessary, assistants, who are trained men, in addition to a cook. They are provided with a daily rate of pay and their board and lodging in suitable buildings or tent camps, and they are kept together in groups of 6 to 12 in order that the training and discipline may be effective.

Due attention is paid to recreation, comfort and health, and the work consists of construction and maintenance of telephone lines, clearing portages and trails, repairing docks and dams, clearing camp sites, repairing buildings, painting, construction work, forest fire fighting, and preparing fire places at

strategic points in order to encourage campers and transients to build their fires in these places, rather than create a fire hazard by building a camp fire of their own.

The junior rangers have, as well, been used for collecting of specimens and doing other essential field work in connection with research projects.

The junior ranger programme is very popular, and, despite the fact that the department does not advertise it in any way, many more applications are received each year than can be accepted, and it is significant to note that the majority of the boys are desirous of taking up this work in the ensuing years. In the year 1955, for example, nearly 600 junior forest rangers were employed. This number represents less than half those who applied for such employment. Many of those employed were repeaters from previous years.

Many of these young men have proven themselves of considerable value. To some the experience has opened the way to a career. At the end of the season, the local reports on their services are analyzed and the value not only of the training, but also of the actual work accomplished, is assessed and evaluated.

Accident prevention: The efforts of this division have included the establishment of safety councils in all districts and subordinate establishment where there is any appreciable concentration of staff. The safety officer during the past year has visited all field establishments at least once and a large number on more than one occasion. Useful discussions have been held with the safety councils and assistance given them to further their efforts in reducing the accident rate. Circulars are issued to emphasize and assist the safety programme. Other means of promoting safety are instructional pamphlets, visual aids and radio broadcasts.

Reports of hunting accidents are collected in co-operation with the National Rifle Association.

Twelve resuscitators are distributed throughout the province.

Health and sanitation: (a) First aid courses (St. John Ambulance Society) are provided by the St. John ambulance corps, which imparts a thorough knowledge of first aid. They consist of lectures and practical demonstrations pertaining to aiding the injured or sick in emergency. 600 employees have received St. John ambulance certificates.

(b) Distribution of circulars, pamphlets and general information supplied by The Department of Health, and issued from time to time in an endeavour to guide personnel as to the importance of maintaining sanitary habits and surroundings, and controlling disease and sickness.

(c) A course on camp safety and sanitation is conducted at the forest ranger school for department employees, faculty of forestry students, and Ontario guides.

CONSERVATION INFORMATION

The efforts of this section were directed towards informing the general public of the work of the department, so as to ensure the continued co-operation essential for successful operation.

Publications:

The majority of our publications were prepared for public distribution although some were prepared for certain departmental groups. The use of general publications saves considerable time in answering personal letters requesting specific information.

Over three-quarters of the original writing is done by the staff of the department, mostly by the personnel of this section. The remaining one-third is done by outside writers, either voluntarily or for a professional fee. In many cases, these outside writers received assistance from our own staff.

During the year 1955 the following publications were published:

General: Minister's *Annual Report* in two parts: (1) highlights; (2) detailed.

Index to *Sylva*. Volume 11.

Sylva. Volume 11. Nos. 2-6. Volume 12, No. 1.

Six thousand copies of each issue of this magazine are now produced in order to meet increased demand. It is also interesting to note increased use of articles and photographs from *Sylva* by magazines and newspapers internationally.

In addition to the preparation of The Game and Fisheries Act, summaries of the fisheries and hunting regulations and cards for open seasons on deer, moose, migratory and upland game birds approximately a dozen other publications were prepared for various divisions, including a list of all publications available.

Publicity: The word "publicity" is used here to describe that part of the work by which the public is kept informed of departmental administration and activities. This is done through such media as the press, national magazines, sports and conservation publications, signs and posters.

Press: The *Weekly News Release* "Conservation Corner" was issued regularly to all newspapers in the province, all radio stations, outdoor writers, game and fish protective associations, and a miscellaneous list of interested conservationists and house organs. It approximates 2,000 to 2,500 words per issue and consists, for the most part, of reports on departmental activities, changes in the Acts relating to the game and fisheries, open seasons for hunting, fishing and trapping, and conservation appeals for the protection of resources.

This release serves a most useful purpose, and its acceptability rating is continuing to increase. The average annual column space being used by newspapers throughout the province is close to 12,000 column inches or approximately 450 full news columns. This Estimate does not include the extensive use of *News Release* material by outdoor writers in their columns in newspaper and sports and outdoors magazines on both sides of the border. Ninety newspapers made use of matts provided by the section to illustrate *News Release* articles of special interest.

In addition to the regular *News Release*, a number of press releases of urgent importance were issued to the metropolitan dailies and to the wire services.

Our clipping file now contains over 400 individual files, with an estimate of more than 35,000 clippings per year.

Articles: A great many articles were provided to newspapers issuing special editions and considerable assistance given to writers seeking information for feature articles.

Advertisements: Copy was supplied for 45 display advertisements in magazines and newspapers during the year. They varied from one-quarter page to full page advertisements, mostly in black-and-white with art work or photos. Each stressed the need for public co-operation in preventing forest fires and the conservation of land, water, forests, wildlife and forest resources. One hundred and three administrative advertisements were also inserted in newspapers throughout the province. These dealt with timber sales and crown lands.

Correspondence: Over 7,000 routine requests for information or publications were handled during the year. The volume of requests for information regarding the work of the department, the recreational facilities of the province and its renewable resources is rapidly increasing. These requests come from adults and students not only in Canada and the United States but from many parts of the world. These are in addition to a large number of requests for information requiring considerable research.

CONSERVATION EDUCATION

Exhibits: Conservation appeals were made to the general public by means of 73 exhibits and floats shown throughout the province.

The major exhibits are as follows: Canadian National Exhibition, Central Canada Exhibition, Lakehead Exhibition, Canadian National Sportsmen's Show, and International Plowing Match.

Other exhibits include sportsmen's shows, agricultural fairs, county fairs and parades.

Materials for all major exhibits were prepared and displayed by this section and then sent out for use at other exhibits from our workshop in Toronto.

Permanent exhibits suitable for transporting were emphasized in order to make a maximum appeal across the province.

Photography: The department's photographic library has over 7,000 8" x 10" black-and-white prints and approximately 600 35mm. colour slides, and includes a cut file section. These are used to illustrate department and outside publications and for lecture purposes. Over 1,700 department photographs were loaned to outside publications during the year. These sets mostly consist of from 6 to 12 photographs, telling a story on some phase of the department's activities. A large number of single photograph requests were also handled during the year.

Approximately 20,000 8" x 10" photographs were produced to December 31, 1955, from our darkroom as well as a large number of 35mm. slides and prints in black-and-white.

The services of the photographic library were open to all writers, editors, and reporters, as well as to the general public.

Over 3,000 feet of 16 mm. pictures were taken covering forest protection and fish and wildlife.

Public lectures carried out by head office and field staffs from April 1, 1955 to January 31, 1956 (9 months) amounted to 605 school meetings with 57,642 attending, and 1,055 adult meetings with 86,236 attending.

In addition, during this period the Canadian Forestry Association which is partially subsidized by this department carried out 703 meetings with an attendance of 56,394.

The whole purpose of conservation education is to keep the people of the province informed on the trusteeship of their natural resources.

Mr. Chairman, there is much more I could say, but I believe it is time to get down to more detailed information and with the consent of the House I will move down to the front.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Chairman, arising out of the hon. Minister's remarks, I want to address myself to two or three phases of the work of this department. He spent some time this afternoon speaking about the forest fires which raged throughout northern Ontario last year, setting that year apart as one which was perhaps the worst in our history.

I do not know that we can place a true valuation on the amount of timber which was lost through those fires, but the point I want to make this afternoon—and make it rather strongly—is that I do not believe The Department of Lands and Forests was prepared to fight the forest fires in a way and to a degree which would allow it to keep them under control, and within reasonable dimensions.

I am persuaded, Mr. Chairman, that the men who fought the forest fires did a magnificent job, and I do not want anything I say to be construed as being a reflection upon the heroic efforts which the personnel of the department put forward. I am saying very definitely, Mr. Chairman, that the department was not prepared for this fire, and it did not have the equipment to successfully fight against the onslaught in northern Ontario last year.

If this fire was one which could not reasonably be expected, then the department could be excused to a degree, but this House will recall that within the last few years we had a tremendous fire in the Mississagi reserve which should have been a lesson to this department to prepare itself for fires of like, or of greater dimensions in the future.

But it did not seem to have learned any lesson from the Mississagi fire at all, and it went into this one, I say again, unprepared for the dimension of the fire itself. It has been recorded on various occasions, that equipment was not in

evidence in sufficient quantity to do an adequate job of fire fighting or putting out the fire, and toward that end I want to read into the record of the House, Mr. Chairman, an editorial in the *Sudbury Star*, which was right in the midst of the fire.

This editorial was written at a time when the fires were raging, and is an indication of the government's lack of preparedness. I suggest the editorial should set us thinking as to the way this department is being carried on, particularly in regard to the fire-prevention angle.

This is from the *Sudbury Star* of July 22, 1955, under the heading of "Does Our Government Fiddle While Our Forests Burn?", and reads as follows:

Forest Fires attributed to "human agencies" and firefighting equipment spread thinly over a wide area, with 110 fires reported burning in the Ontario forestry region, is an intolerable situation.

Regional forest rangers have been doing a magnificent job in trying to cope with the blazing forests. They drafted every available piece of equipment and manpower.

Why? Why are forest fires raging out of control? Was there not enough equipment available to concentrate the attack on small outbreaks when the chance of control existed? Has Queen's Park coasted along on its good fortune in having no serious outbreaks since the great Mississagi fire in 1947?

The department wrote reams of literature on the success of the Mississagi salvage operations. Stories and pictures indicated that the government had done a good job in salvaging valuable timber that was merely scorched by the racing flames.

In a speech last December, hon. Clare Mapledoram, Minister of Lands and Forests, said that on Ontario's 412,582 square miles, 223,312 are forested. Taking these figures at their face value the people of Ontario cannot fail to be concerned over the

223,000 square miles exposed to a high forest fire hazard this year.

It was in this same speech that the hon. Minister mentioned "adequate fire protection." When equipment is so thinly spread as to cause concern in the minds of those on the fire-fighting lines the question of "adequate fire protection" is open to contradiction.

What has the department done since the Mississagi fire to make sure that every fire can be adequately supplied with men and equipment? Queen's Park cannot forecast forest fire hazards from one year to the next. Plenty of equipment, even if it is in storage during the "wet" years, is still good insurance.

Adequate forest protection would seem to be double-barrelled. Most essential is the need for an abundance of equipment. News reports tell how new hose is now being bought and rushed to the forest fire areas.

Latest reports show more than 100 fires burning. They are of varying sizes. When a small fire spreads into a big one, all of the effort put into the preliminary effort is wasted. Is it not possible to rush sufficient manpower and equipment into the areas where small fires are burning to prevent their growing . . . into large fires.

That is the end of the quotation and I would say to the House that it substantiates to a very large degree the charge that I believe can properly be made that The Department of Lands and Forests, when these fires broke out last year, was not in a position to fight them in an adequate manner. I suggest also that having the Mississagi fire as a precedent, it should have been forewarned to the extent that ample equipment was on hand to do a real job in putting out the fire.

I want to touch upon another subject for a moment or two, which has to do with the Mississagi salvage operation itself. Sometime this afternoon I want the hon. Minister to give some time to this particular matter.

Those of us who remember the Mississagi salvage operation will remember

a chap by the name of "Lattey", whom, I believe, was a contractor engaged in taking out the salvage timber in the Mississagi reserve. This chap went broke, as I understand it, and the government seized the assets. That was some 3 years ago.

I suggest to the House this afternoon that those assets seized from "Lattey" have been wasted by the government of this province. If the hon. Minister this afternoon can tell me how much those assets were worth when they were taken over, and what their value is today, I imagine it will be surprising and revealing information. I am informed those assets are spread over a number of townships, nobody knows where half of them are, and that the government has simply wasted what was a considerable asset in regard to that situation. I want the hon. Minister to deal with that matter this afternoon, because it has some importance, I would suggest.

In that same Mississagi operation the Campbell Lumber Company entered into the picture. I think I am reliably informed in this, that the Campbell Lumber Company today have millions of feet of lumber piled up. The government now owns the lumber, I understand, taking it over from the lumber company, but it is piled up in huge piles and is rotting as lumber will rot, when exposed to the weather and standing for some considerable period of time. Any efforts which have been made to buy this lumber from the government have been met, I understand, by the assertion that the lumber is not for sale.

If that is a correct situation, what is the hon. Minister going to do with this lumber? What was the use of spending hundreds of thousands of dollars of the taxpayers' money to salvage the Mississagi reserve, just to have the lumber piled up in huge piles and allow it to stand there and rot?

I suggest to the House this afternoon that in these two things—and there will be others as various Estimates come up—the government is certainly found wanting—certainly The Department of

Lands and Forests is—in respect to its lack of preparedness for the fire which swept the northern Ontario forests, and secondly, it has not properly carried the assets of this government which they took over in relation to the Mississagi reserve fire.

MR. D. MacDONALD (York South): Mr. Chairman, before we get down to the detailed Estimates, I want to take this opportunity to discuss some aspects of basic policy of The Department of Lands and Forests.

This is the first and only opportunity we have had to deal with it in any comprehensive way, apart from one piece of legislation which came in earlier, and I think perhaps more than any other department — and I make this as a measured and considered statement—the inadequacies of the basic policies are as great in The Department of Lands and Forests as they are anywhere else in this government.

Let me make this general observation at the outset.

HON. C. E. MAPLEDORAM (Minister of Lands and Forests): Mr. Chairman, before the hon. member speaks I would like to answer the hon. leader of the Opposition, if I may?

MR. MacDONALD: Fine.

HON. MR. MAPLEDORAM: The question of not having enough fire equipment was raised by the hon. leader of the Opposition. I read those editorials myself and at that time I took the trouble to circularize all our districts at the height of the fire. Every district representative said he had enough equipment to service all fires. That is all I know about it.

I would like to point out also that talking about the Mississagi fire and about the situation last year, are two entirely different things. The Mississagi fire was a concentrated fire. These fires were popping up on an average of one every half-hour in very inaccessible spots.

I can remember flying in a fire lane myself and seeing 3 lightning fires started within a few minutes. One of the main features of the situation last year was the tremendous amount of lightning. If you flew at a height of 1,500 or 2,000 feet, you got only a very slight wetting of the windshield in the plane, but within 15 or 20 minutes you could see fires starting in very inaccessible spots.

I do not know anything about where the Sudbury *Star* secured its information, but I do know we were under considerable fire by this one newspaper, but, as far as I know, we could bring forth a dozen newspapers which would give us a “clean bill of health.”

I think probably they had some reporter go out to one of our districts, and ask one of our fellows if he had enough equipment. I find going through the north, particularly, most of our district foresters are reluctant to say they have too much equipment. From my own experience they say they do not have enough, but in reality they have several hundred feet of hose hidden away somewhere for an emergency. Our service generally is so flexible that in the Port Arthur office, when reports come in from Sault Ste. Marie or Chapleau, requesting equipment, immediately they start to “shoot” equipment out by plane and it is there within half an hour. They were stretched out so far apart and they were so numerous—many of them were just an acre or two—that it meant a long stretch of road had to be laid to get through.

There is no information in my files or that has come to me through my department, to lead me to believe that the situation is such as the Sudbury *Star* has stated in that editorial.

HON. L. M. FROST (Prime Minister): Mr. Chairman, I think the hon. leader of the Opposition has an entirely wrong picture of the fire situation. That is a subject in which I was very much interested, and into which I did some investigating, and, some visiting myself.

Last summer, we met a situation in northern Ontario which has not occurred

previously for probably 20 years. The whole north country was as dry as tinder. The problem of fires under conditions like that, with lightning and carelessness, is a very difficult one.

Mr. Chairman, we have had other occasions like that in the north country. There was such an occasion in 1909, when untold thousands of square miles of farm land, with settlements and farms, were destroyed. The hon. Provincial Secretary (Mr. Dunbar) was in the north country at that time in one of those fires. I believe he owes the fact that he is here today to his being able to get into one of the lakes there in a big hurry.

In 1922, we had fires up there which destroyed towns, like the town of Haileybury, and when other places were wiped off the map, and the fires burned unchecked for days and weeks. Some hon. members will remember those tremendous fires in the north country, when the smoke was so bad in southern Ontario the sun could not be seen for days on end.

Mr. Chairman, on the last occasion which we had in Ontario, the fires were fairly well contained. That was the occasion of the Mississagi fire in 1948. It was at the end of the war, at a time when the department was being reorganized. At that time, the fire was very bad in the Mississagi limits, south of Chapleau, and the area northwest of Sault Ste. Marie. There was a very valuable stand of timber there, and the fire raged unchecked.

I have looked at this matter myself. Never in the history of the province were conditions worse from the standpoint of rainfall and intense heat than they were last summer. Never did we have such good results as we had in this case.

It is true that there were some fires out of control for some time. It is true that there was a loss of timber in the area. However, in spite of all that, the results were the best ever obtained, under the very worst conditions possible. The reports I received from the north country were that finally, after years of

effort, the department with its equipment, its personnel and its organization, had succeeded in meeting conditions which were very, very bad.

The entire forest area of the province was a tinder box, to such an extent that the water levels were decreased in all of the area of northern Ontario, north of North Bay, and east of Sault Ste. Marie. That water shortage was so great that The Hydro-Electric Power Commission imported power into that country from various other parts of Ontario, as the water requirements there could not meet the demands. In Lake Timagami, the water level was so low, due to the lack of rainfall, that the flow from the lakes and rivers was diminished to almost nothing.

In the face of all those problems, the department's organization and personnel were able to contend fairly well with those fires.

It must be remembered that the north country covers a vast area. A person flying over that part of the province sees nothing but forest, as far as the eye can see, hour after hour. It is true there are losses which are important, in the loss of timber and forest wealth; but that is as nothing compared with similar conditions which have occurred before in this province.

As a result of the organization in that district, The Department of Lands and Forests and its men should be highly commended for the magnificently successful job which was done in the face of those almost impossible conditions.

Never in this province can we reach the stage when, in such a vast area, a forest fire can be extinguished in a matter of minutes. The extent of the north country is so vast that it takes many hours of flying time, over tens of thousands of square miles, and there are too many difficulties in regard to the transport of equipment. There is the lack of roads through the forests, as can be understood in so immense an area. There always will be fires, and fire hazards to be faced. To cope with them, as they were coped with this year, in face of unbelievable conditions, is a

very great tribute to the work of the department, and to the fulfillment of the policies which have been the subject matter of discussion here for some time past.

I totally disagree with the assessment by the hon. leader of the Opposition in regard to this problem. The north country was not burnt up. As a matter of fact, the north country was saved. If it had not been for the magnificent organization and equipment up there, we would have had conditions like those of the Haileybury fire, when great stretches of Ontario simply burned unchecked, and when villages and settlements were destroyed. Such was not the case at this time, and I would say that it was due to the magnificent work of the department.

MR. G. WARDROPE (Port Arthur): Mr. Chairman, I come from an area where there are vast timber reserves, and I personally was in that fire area most of the season last year when the fires were serious. I want to compliment the hon. Minister and The Department of Lands and Forests most highly, and especially the fire-fighting branch, for the wonderful job they did. I was in Nakina, on the north branch of the C.N.R. last May, when there was a tremendous forest fire. The authorities commandeered every man they could in the area, and went in to control those fires. All the fires in our area last year were confined to small areas, and all the flying services owned by The Department of Lands and Forests were out fighting fires constantly.

Not only that, they hired every private airline plane they could get in order to fight those fires. A tremendous effort was made, and if there is anyone who is not convinced on that point, I recommend a study of the many editorials in both our Lakehead papers, congratulating The Department of Lands and Forests on its fire-fighting services.

These men were on duty for 24 hours a day, day after day. The planes were flying day and night, whenever they could. A remarkable job was done, and that can be seen from the editorials in

the press, if one looks back to them during those months.

I know personally that never had I such a problem as I had last summer, when my own well was down to 9 inches of water before the rains came. The whole forest was a tinder box. The department and the hon. Minister are to be congratulated on doing a remarkable job of preserving our forests.

A very small area was burnt over, but there could have been a holocaust which would have cost this province millions and millions of dollars. That did not occur, owing to the tremendous effort made by the department and its flyers, and its men, who deserve a great deal of credit.

MR. OLIVER: Mr. Chairman, at no time during this debate, have I suggested that the personnel of the department did not acquit themselves in a very fine manner; but I say again that when I visited that part of northern Ontario last fall, and heard from people who were on the job, that many times small fires were starting, and hose and equipment was brought in, but before that fire could be extinguished, the equipment was called to a larger fire, and then the smaller one broke out in a larger way. I suggest, also, that the manufacturers of hose and equipment were working day and night during those months trying to supply the orders of The Department of Lands and Forests.

HON. MR. FROST: Mr. Chairman, of course, it can be understood that thousands of feet of hose would be destroyed. Those fires cannot be fought otherwise. That loss has to be replaced. The fires cannot be fought without losses of that kind.

MR. MacDONALD: Had the department not enough reserves?

HON. MR. FROST: Mr. Chairman, may I indicate a little what the picture was like. This year, there will be certain Estimates in The Department of Lands and Forests for firefighting, and these are based upon normal conditions.

As a matter of fact, nobody can estimate at this time what conditions in parts of northern Ontario will be on the first of July next. No man knows that. We have to meet these conditions as they come. My recollection is that there were special Treasury votes of \$5 million this year over and above the Estimates. That sum was added to the Estimates by the Treasury Board to meet this situation. When a fire breaks out, you have to close down industries in that area, commandeer the men, take them over and pay them. My recollection is that in the year 1954, we had very little demand. I think the Estimates for the north country then were not only sufficient, but more than sufficient, as there was rainfall regularly over the whole area. Last year, for weeks and weeks, there was no rainfall whatever, and the water conditions were very bad. Last year, we had to issue Treasury Board warrants to the Department of Lands and Forests, as the hon. Minister says, in excess of \$5 million, to pay for this. This year, probably, we will not be faced with that at all, and there may be a surplus in the Estimates. It is as uncertain as that. In regard to fire-fighting equipment, I understand the department has 45 planes. These planes are strategically located at various parts of the province. There may not be any fire hazard in the Pembroke area or the Algonquin Park area. I think there is one plane at Golden Lake, and another in the Park. Those two planes might be sent to the Kenora district. The situation was such last year that private planes were chartered. It is far cheaper to charter them for a few months, than to have the equipment lying idle.

In regard to the matter of hose, the firemen get into places where they have hose strung out for several miles in the woods, and if the wind changes they lose that hose. Then the department has to buy more equipment of that nature.

MR. OLIVER: Mr. Chairman, the hon. Prime Minister has touched the kernel of my argument. He says, one cannot look too far into the future.

HON. MR. FROST: I did not say any such thing.

MR. OLIVER: He said one has to meet conditions as one finds them.

HON. MR. FROST: Of course.

MR. OLIVER: That is just where we differ. The hon. Prime Minister sums up by saying one does not know whether next year will be wet or dry, and one must meet conditions as they arise. That is the danger in the whole thing. We should be prepared by stock-piling this equipment.

HON. MR. FROST: That is just what we have done.

MR. OLIVER: The hon. Prime Minister said one must meet conditions as they arise. That is not good enough, when we have too great an asset in the forests of Ontario to meet conditions as they arise.

HON. MR. FROST: All kinds of equipment were stockpiled to meet the situation. Of course, it requires to be moved out to the area where it is needed. It is true that there were losses in hose, but that is something that could happen anywhere. That fire hazard will be met anywhere, even here in the city of Toronto, and, of course, very much more so in the northern woods.

The job which was done in the north country this year under unbelievable conditions, emphasizes the fact that we have reached the stage in Ontario where we have high hopes of being able to cope with any situation which may arise. That is a tremendous statement to make, as this has never been done before. In the days when the hon. leader of the Opposition had charge of The Department of Lands and Forests, the fires burned unchecked. Today, there is every evidence that something is being done in this country which has not been done elsewhere.

I was down in the forest areas of the United States last spring, when fires were burning unchecked. As a matter

of fact, in California the fires were burning completely unchecked. We never had such a situation in Ontario this last year, as they had in the California areas and in some of the Atlantic States and mountain areas last year.

MR. MacDONALD: Mr. Chairman, I have been very much interested in this discussion and perhaps it will afford a jumping-off point to the points that I want to make, because I think the most appropriate inference one can draw from what the hon. Prime Minister has said is that: "Methinks he doth protest too much".

This government, as a result of the experience last year, saw fit to bring in a Bill which received first and second reading and went to a Committee; and what was that Bill? The Bill was to force the lumber business to maintain fire-fighting crews and to equip them with fire-fighting equipment. If the government did that, I think it is obvious that its action indicated it felt there must be more fire-fighting equipment on the job, either by the private companies or by the government itself, and the government in its wisdom decided to bring in a Bill which would force the companies to obtain that equipment.

What happened? If hon. members do not know, I shall be glad to tell them. The Bill came before the committee and enough government supporters rose and spoke against it, and it was withdrawn. Now I am going to leave my answers as to why that Bill was withdrawn until—

HON. MR. MAPLEDORAM: Mr. Chairman—

MR. MacDONALD: Mr. Chairman, I have been interrupted once, I suggest I have the right to continue.

HON. MR. FROST: Then I would ask the hon. member to stick to facts for a moment.

MR. MacDONALD: I have been interrupted three times now. It is when I quote the facts that the Conservative hon. members wiggle most. I will deal with the facts.

MR. J. A. MALONEY: The time the hon. member for York South could make anybody "wiggle", there will be two suns in the sky.

THE CHAIRMAN: Order.

MR. MacDONALD. The government withdrew the Bill and I will suggest why it withdrew the Bill in the context of my general criticism of the department which I will make in a moment or so.

I started a few minutes earlier to outline some of the basic policies of this department which I think are very inadequate. Furthermore, I was about to draw attention to another point, which I want to emphasize so that the hon. Minister may be somewhat easier than he might otherwise be. When he brought in another Bill earlier this session and hon. members got in to some exchange across the floor of the House as to what some government policies were and what they were doing, the hon. Minister made an interesting statement to the effect that he had done more to implement some of these policies laid down in the Kennedy Report on the White Paper than any previous Minister. Mr. Chairman, I think there is some faint glimmering of justification for that statement.

HON. MR. FROST: The hon. member for York South having said that, there must be a great deal of justification.

MR. MacDONALD: I think it is far from easy to come to any conclusion as to what this government is going to do, because sometimes there are promises of action, and it takes a generation before that action is fulfilled. There is only one reservation I would like to make with regard to the statement of the hon. Minister and that is that I do not know how many hon. members of the House have read this White Paper, and if they think that what I am about to say as regards the policies of the government is exaggerated, I invite them to read the White Paper published by the government in 1954.

HON. MR. FROST: A pretty good paper, too.

MR. MacDONALD: It is a pretty good paper, but it is the most devastating indictment of this government's failure to implement the policies it has talked of for two or three generations.

That, Mr. Chairman, brings me to the point I want to make. I have been long puzzled, in fact intrigued beyond description, as to how this White Paper ever became published. I can only suggest, by way of speculation why it was published. I think the late Welland S. Gemmell, whom I did not know personally but who I think was a "pretty good guy" and the kind of person who had some appreciation of the responsibility vested in his department, was faced with the same kind of thing that I know the present hon. Minister is faced with, and which any Minister of Lands and Forests has been faced with down through the years—fantastic pressure from the big companies behind the scenes to block the implementation of policies that the government knows are necessary. As I say I am speculating, and it is nothing more than speculation because I cannot prove it and I do not think any hon. member in the House can prove it, but I believe the late Welland S. Gemmell permitted the publication of this White Paper to strengthen the hands of himself and other people in the department, who wanted to see that implementation made.

HON. MR. FROST: Mr. Chairman, would the hon. member like to know that in the preparation of that report, and the investigations mentioned in it, and the writing of it, I sat in on every session and I concur in it? Great progress has been made. It is the basis of government policy, and may I say to the hon. member for York South, who is a young man in this House, never have such things been done for forestry as have been done by this government in the last half dozen years.

MR. MacDONALD: The hon. Prime Minister is obviously disturbed, because

this is the third time he has risen and interrupted.

MR. S. L. HALL: The Hon. Prime Minister has just put the hon. member straight, that is all.

THE CHAIRMAN: Order.

MR. MacDONALD: He did not put me straight. That, Mr. Chairman, is the puzzling aspect of the situation, and that is, the hon. Minister states he is doing more in that direction than his predecessors, and so on. Let me put this question to the hon. Minister, and I hope this will be accepted as authoritative, it is from the Ontario Government Services Publication of October 15th, 1955, and in one paragraph it says:

Out of life-long association with the forest and lumbering, Minister of Lands and Forests Clare E. Mapledoram points out how surprisingly early in Ontario's history foresighted people recognized the need for halting and repairing the effects of ruthless forest exploitation which dated back to the pioneer days.

The interesting thing, Mr. Chairman, is that this government is only now getting around to implementing the recommendations made, and in fact, when the hon. Minister himself introduced a Bill about 3 or 4 weeks ago, the intention of which is to establish management units, what was his description of it? "It is an entirely new departure". You will find that on page 492 of *Hansard*, "It is an entirely new departure". In other words, in 1956, at least two generations after the early studies which involved the Trent Waterway System in 1913, at least 10 years after the Kennedy Report, and at least 2 years after the White Paper, this government gets around to what it describes as "an entirely new departure", which is the first step to do something fundamental about implementing the recommendations originally made.

HON. MR. MAPLEDORAM: The hon. member agrees it is good, though.

MR. MacDONALD: Certainly I agree it is good, but I say it is a faint glimmering that something may happen, and I want to see a great deal more before I agree that enough is being done to improve the situation.

Let me draw the attention of the hon. Minister once again to these facts, if I may, that the kind of thing this government is planning to do at the present moment is something which was planned and started to be implemented by the Drury Government in 1919-23 and I draw this to the attention of the hon. Prime Minister. Let hon. members just go back and look at the records. Many of the things which are in the Kennedy Report, and many of the things which are in the White Paper, were mapped out because the hon. Mr. Drury himself was exceptionally interested in conservation, and matters of that kind, and it was mapped out for his government in 1919-23.

I will remind the hon. Prime Minister of another thing, since he is so very much interested in history, and that is, that in the Ferguson Government in the twenties, the Minister of Lands and Forests was a man by the name of Finlayson, who became determined to see that something was done about the way our forest resources were being handled by the pulp and paper companies, and in that connection he said:

We have behaved like drunken sailors with regard to our forests.

HON. MR. FROST: That is right, Mr. Chairman, that was under the administrations before ours, but that is not the case now.

MR. MacDONALD: May I ask the hon. Prime Minister not to interrupt when it is just a facetious, political interruption, which has nothing to do with the substance of what I am dealing with.

MR. MALONEY: A diarrhoea of words and constipation of ideas.

MR. MacDONALD: Mr. Chairman, I have referred before to the "barnyard humour" of the hon. member for Renfrew South.

MR. MALONEY: That is the only kind of humour the hon. member would appreciate.

MR. MacDONALD: It was never documented more completely, Mr. Chairman, than by that observation.

THE CHAIRMAN: Order.

MR. MacDONALD: I hope I shall not draw too much protest from hon. members of the Party to my right when I point out that when the Liberals came into power in 1934, it was the hon. "Mitch" Hepburn who "fired" the research staff, who were working on the regeneration process of spruce and pine because we now have a real problem trying to regenerate spruce and pine in this province.

HON. MR. DUNBAR: He had to "fire" them; he was "firing" everyone else.

MR. MacDONALD: And it was the hon. Mr. Hipel in 1941, just to show you, Mr. Chairman, how slowly we move on this subject, who suggested it was time the government got around to taking an inventory of our forest resources in the province.

It was left for the Kennedy Report, 8 years later, to come in and urge that something be done about a forest inventory and about the only thing this government can lay claim to with any degree of justification is that at least it has assessed what resources it has, although while it was being assessed, they said: "We cannot do anything about protecting it." That is about the equivalent of saying that if the house has been robbed while we are investigating what is left in the house, we must permit the robbers to continue to steal. Only now are we getting around to the problem of halting the destruction of our forest resources.

This has been going on for literally one, two, three generations. The hon. Minister of Lands and Forests said that some foresighted people saw this. Certainly some foresighted people saw this, but these foresighted people were not in the government where they were able to implement policies, and we look forward to seeing whether there are people now in government with enough courage to put these people where they belong and implement policy so that we do not continue to destroy our forest resources.

I want to take 3 aspects of the policies of this department and document what I think is the unchallengeable validity of the case I have been making here. The first has to do with lumber. I would remind hon. members of the House that in 1867, when the resources of this province were handed over to the provincial government as a trust, a trust which successive provincial governments have betrayed until we are within the end of those resources, that the lumber production of Ontario was 177 million board feet. I would remind hon. members further that we reached production of 800 million board feet in 1908, and, having reached a peak, because our resources were on the decline, we are now back to what we were producing at the time of confederation, approximately 150 million board feet a year.

MR. G. C. WARDROPE: There were no pulp mills then.

MR. MacDONALD: We will come to the pulp mills in a moment. When the Kennedy Report was written in 1947, it pointed out that within 25 years we were going to be nearing the end of the commercial lumber resources of the Province of Ontario. I ask hon. members to pause for a moment, and consider the magnitude of the tragedy that statement represents. A province which had some of the greatest timber stands in the world, and within 3 or 4 generations governments permitted the destruction of those timberlands, until the Kennedy Report warned us in 1947 that we were within 25 years of the end of commercial timber. In fact, they

pointed out that only two or three per cent. of the 1,100 mills which were licenced—1,147, if I remember correctly—in 1947, had timber stands for the foreseeable future and beyond that, it was extinction as far as they were concerned. The Kennedy Report made some suggestions (a) for reforestation, to which I will come in a moment; and (b) about what was going to be done about making the pulp and paper mills, which have great tracts in this province within which a good deal of our timber now stands, implement the regulations so that the timber will be used for lumber, and not be put through the chipper and made into pulp, and I would like to ask the hon. Minister to comment later as to what extent those suggestions in the Kennedy Report 7, 8 or 9 years ago, have been implemented. Surely we have reached a point where hon. members can expect some implementation of those recommendations. What has been done to halt the passing of the lumber industry and restore it on some sort of long-term basis in this province?

The second point I want to deal with in the basic policies of this government is with regard to reforestation. In 1953, this government having been in power for 10 years—it moves very quickly, Mr. Chairman—finally got around to passing legislation which laid down regulations for regenerating forest lands.

HON. MR. FROST: 1943 or 1953?

MR. MacDONALD: 1953, as I say about 10 years after this government was elected. The interesting thing is this, Mr. Chairman, that they passed that legislation but they did not make it retroactive.

HON. MR. FROST: You cannot make trees grow retroactively.

MR. MacDONALD: In other words, any company which had for years been slashing at our forest resources, was going to be absolved of responsibility for the reforestation of the areas which they had slashed. That was accepted by

this government as a public responsibility from that point forward.

The next interesting thing is that it took them a year to implement these recommendations. Oh, they are a "fast bunch" over there. It took them a year before they had to implement the thing. I had a little clipping here which I meant to draw to the attention of the hon. Prime Minister but it is of no account that I cannot at the moment quote it exactly. It referred to a statement made by the hon. Prime Minister in Port Arthur, where he said that henceforth every pulp and paper company would have to submit plans for the implementation of a modern programme of forest management and regeneration and reforestation. But I want to point out to hon. members that in spite of the glowing claims of the private operators of this province, they at the present time are reforesting to the extent of about 7 million trees a year—roughly that, Mr. Chairman, and if I am at all out on that figure I would appreciate having the exact one as to how much reforestation is being done by the private companies, and what the big companies are doing. Some, like Abitibi, are doing very little.

To show you, Mr. Chairman, the kind of misrepresentation of the picture we have been getting from the pulp and paper industry, may I read an excerpt from an article published last October 15th in *Saturday Night* which is headed:

YOU ARE THE LANDLORD

It reads:

Less than 10 per cent. of Canada's forest is privately owned. The remainder, an area 6 times that of France, is Crown land owned by the people of Canada. You are the landlord.

Among your tenants is the pulp and paper industry. It is a good tenant. It manages your woodlands scientifically, it supports extensive silviculture research, it spends more on forest conservation than all the provinces combined.

Now Mr. Chairman, I would like to have the figures to show where the private companies in this country, and particularly in the province of Ontario, are spending more on forest conservation than is the provincial government, because I simply do not think it is the case and I suggest to the hon. Minister that he talk with some people in his own department and he may find out they are convinced it is not the case. The private operators are doing a hopelessly inadequate job, particularly so in terms of the great areas they have stripped off, and await something to be done, of which this government absolved them of responsibility in 1953. So the responsibility rests with the government itself.

Well, Mr. Chairman, what is the government doing? Let us take a look at that. In this very good departmental handbook that I received in the mail just two or three days ago, is contained all the details of what is happening in The Department of Lands and Forests. As I say, it is a very good little handbook. You can turn up figures at the drop of a hat. On page 73, with respect to trees distributed for reforestation, it points out that as far back as 1940—and that would be in the era of the Liberals, the hon. leader of the Opposition will be delighted to know—we reached a figure of 17,000 trees being reforested in this province. I am sorry, Mr. Chairman, may I correct that? I should have said 17 million, not 17,000. Then we see the figure goes in succeeding years to 13 million, 11 million, 10 million, 13 million, 12 million, and we get around to this government, for example, and about the year 1948 there were 13 million. In other words, in 1948 they were reforesting two-thirds as much as the Liberals were doing in 1940. How interesting, Mr. Chairman. In 1949 they started to pick up, and they reached a figure of 17 million, in 1950 they got to 19 million and, to bring the story to date, in 1953—they got up to 25 million.

Twenty-five million trees. I want the House to pause a moment, and realize just what a pitiful operation this is.

HON. MR. FROST: Those are trees which are planted. Natural reforestation runs tens of millions over that, and that is where the real gain is being made.

MR. MacDONALD: Just a moment now; you are anticipating the point I am getting at. The latest figures we have from the department in regard to reforestation are 25 million trees, of which 15 million are being planted on private lands or county forests, or something of that nature; only 10 million are being planted on publicly-owned lands, Crown lands, which are the responsibility of this government in attempting to catch up with the staggering reforestation need, to meet the destruction of our forests over past generations. What does that mean? The Kennedy Report pointed out in 1947 that 2½ million acres in the Province of Ontario are awaiting reforestation, 2½ million acres which have been slashed off by the timber barons of yesteryear, that have to be reforested, and that is a public responsibility.

It takes about 1,000 trees per acre to reforest, and that means you will need 2½ billion trees to put these areas back into production again, and if you want to figure it out, you will find that 250 years from now, this government will have reforested the areas which have been slashed off. That is how fast we are operating.

As a matter of fact, if the hon. member for Renfrew South will remember, a year ago when they had a meeting of the Regional Planning Board, in eastern Ontario, some of the people in his own area submitted that there were 25,000 acres in eastern Ontario to be reforested. The attitude of this government with that proposal, as with every other brief submitted to that Board, was to say "no". The government was slapped over the fingers by Gratton O'Leary for that procedure.

HON. MR. FROST: If the hon. member will just sit down and figure it out, he will find that there is in natural and planned reforestation, today, at least two trees for every one being cut. Two in place of the one that is taken off.

MR. MacDONALD: But you are ignoring the 3 generations which have been slashed off, and have to be re-generated. Are you going to leave this an unproductive area from now until Kingdom come, or put it back into production?

HON. MR. FROST: Mr. Chairman, I have a long acquaintanceship with the Ottawa Valley, and if one drives down the road from North Bay through the Ottawa Valley to Ottawa, one cannot help but be impressed with the tremendous natural resources. You see pine trees there in the millions.

MR. MacDONALD: "Tories", too.

HON. MR. FROST: I would point out, Mr. Chairman, when the hon. member reaches that step in the great northern Ontario area, and those people know what is going on, every constituency elected a government member save one, and that was in Kenora, and that was pretty close. That would seem to indicate a general satisfaction, and when one mentions the Ottawa Valley, may I tell the hon. member that they returned all government supporters.

MR. MacDONALD: Mr. Chairman, here is once again that the sins and the inadequacies of the government and its policies, are covered up by the mention of June 9th. Power is everything—if you have the power, you ignore the weaknesses in your policy.

MR. MALONEY: The hon. member received 509 votes in Renfrew South in 1955.

HON. MR. MAPLEDORAM: I do not agree with what the hon. member for York South says about the natural regeneration. I live in this country and I know whereof I speak, and I can take you out to many, many areas which have been cut for 5 years, and I can stand you on a stump and you can count double the number of trees coming up than there are stumps.

I agree that probably we have been slow in getting our programme started,

but I would point out these programmes are not something which can be done overnight. It takes years of planning, and the staff has to be made available, and there are many things in connection with starting a project such as this. I have no apologies to make since I have become Minister, and I think that is the case with other hon. Ministers, for what has been going on in this province since 1946. We instigated the Royal Commission on Forestry. Hon. Mr. Drew was the one who appointed the Royal Commission, and he was responsible for what I think was one of the greatest things that happened in Ontario, and that was stopping the export of our raw materials.

MR. MacDONALD: The hon. members do not even know what the hon. Minister said, but they are clapping anyway.

HON. MR. MAPLEDORAM: I think it was difficult for the people of northern Ontario, living in the district up there, seeing their raw materials being shipped out, and nothing manufactured in their own area. With the stopping of export of wood over a 10-year period, we have been responsible for building at least 4 new mills, and that is a good thing.

Secondly, when the Royal Commission was appointed I would tell the House that I think this government implemented more things from that Royal Commission's Report in Ontario than from that of any other. I know hon. members will realize that everything recommended by a Royal Commission will not be implemented in its entirety.

MR. MacDONALD: What about the basic things?

HON. MR. MAPLEDORAM: There is a difference between 1946 and 1953, and I know whereof I speak, because General Kennedy happens to be my adviser.

MR. MacDONALD: But what General Kennedy wrote in the report still applies.

HON. MR. MAPLEDORAM: It could or it could not. Some things are right, and some things are wrong. We have put the forests under management, we brought about the basis for good management in this province. The inventory which was started in 1946, went on for 5 years, progressively, district by district, and is still going on, and will continue for the next 20 years, because it is no good if you let it stop, it has to be continued, and then go back and correct what has happened by fires, and so on. We are the only government of which I know in the world which has a real programme like that going on.

MR. MacDONALD: Oh, go away out to Saskatchewan, and I will show you—

MR. MALONEY: Sit down.

THE CHAIRMAN: Order.

MR. MacDONALD: Out in Saskatchewan—

HON. MR. MAPLEDORAM: They are selling their wood a lot cheaper than we are.

THE CHAIRMAN: Order. Gentlemen, I do not like to have to call "order", yet we are debating here in the House, and the hon. Minister is making a speech, and I do not think he should be interrupted.

MR. MacDONALD: But for the hon. Minister to make a statement like that—

THE CHAIRMAN: I think we had all better watch our statements.

MR. WARDROPE: Is there not a time limit on speeches?

THE CHAIRMAN: You, too.

HON. MR. MAPLEDORAM: Mr. Chairman, I do not think the hon. member for York South is serious about saying we are not trying to do a good job. I have only been the Minister for a short time, and I am sorry I made the statement in the House about being the best

Minister; I did not mean it that way, because I have a great deal of respect for the work done by former hon. Ministers. I would like to say this very sincerely, I have never had any big company or big industry make any suggestions to me in regard to what I should do. I say that very sincerely, because a great many of them are my friends, people with whom I worked over the years, and I do not think they would embarrass me by putting me in that position. I say that most sincerely, and I know the hon. member for York South will take my word for it.

MR. MacDONALD: Very well.

HON. MR. MAPLEDORAM: In a case of this kind, one cannot take these steps and carry them all out immediately. It has to be by progressive steps, and cutting off the export of wood was the start, the Kennedy Report was next, the Crown Timber Act of 1952, which set a completely new basis of timber areas in this province, and then we feel that with our inventory figures, we can set up our Crown Management units across the province. I must say I was a little remiss in my duties, I do not have the figures on that, but I have the information now, and every area in this province is under Crown Management at the present time. I would like to show the hon. member for York South this Management plan, showing the companies' limits and besides that, they have to produce a yearly plan; if the hon. member would like to have a look at these, I would be very happy to let him have them.

MR. MacDONALD: I would like to study it carefully.

HON. MR. MAPLEDORAM: It is very complete, and they have to produce another document at the first of June of every year, and after that document is produced our foresters go in and check their estimates of what they are going to cut, and see what we think they should do. It starts in September, but in September it may be a completely different Management plan than they have projected, because we may have our own ideas about it. In 4 or 5 cases,

we have cancelled their Management plan for the year, and they have to present a new one. I think we are getting co-operation from industry on this effort and I believe we will continue to get it.

We have now under consideration this regeneration plan, and it has been under discussion for at least a year. It was brought out in the White Paper, to let the people who are using the areas, using the timber on them, know that they have certain responsibilities, and what should be done, and we have to "sell" that to the people.

MR. MacDONALD: We have known it for the last two or three generations.

THE CHAIRMAN: Order. I am going to have to insist if any hon. member wants to ask a question of any hon. member speaking, he will have to address the Chair.

HON. MR. MAPLEDORAM: Mr. Chairman, I did not plan on making another speech, but I think these things should come out, for the information of the hon. member for York South, as I had some information he did not have. There is no thought in my mind of withholding any information. Regeneration is the third step in this matter, and it is a very, very important one. I would like to project this, and I say without fear or reservation that if both the hon. member for York South and myself would come back here 100 years from now, we would see better forests than we have today, and that will follow through because of the projects which we have on hand at the present time. I think we will have better forests and better species of trees; the seedlets being used today are the choicest obtainable. In the province today, 40 or 50 of our forests are over-matured, and should be cut immediately. When talking about cutting our forests down, the hon. member will agree with me that the pulp and paper industry and the saw-mill operators in this country today are hard-headed businessmen, is that not true?

MR. MacDONALD: I think a "hard-headed business man" is a man who does not destroy the product which has created his business.

HON. MR. MAPLEDORAM: That would not apply to the pulp and paper industry.

MR. MacDONALD: Perhaps the pressure is strong enough so they will change.

HON. MR. MAPLEDORAM: They have taken advantage of modern forestry that perhaps the people in the saw-mill industry did not have 50 years ago. When you realize the number of forestry people in this province who were limited up to the last 15 or 20 years, and it is very difficult today to get a forestry engineer to agree with another on the proper way to start a regeneration programme.

It is our responsibility to put the plan into effect, and by doing so, we have complete control of it. We know it is uniform. Regeneration, as far as spruce is concerned, would cost 40 cents, and I would say if you go around putting them down with a pick and shovel, it would cost you 5 cents a tree to plant them. There are many things we know, but there are many we do not. When we have our plan in effect and in operation for a year or so, then we will be in a better position to go to industry and tell them what we are doing, and what it is going to cost, and what their share is going to be, and I think we have a responsibility to do that. With that thought in mind, I am instigating that plan. It will go from the Ottawa Valley through to Kenora.

I have a pilot plan in my Estimates, and I am quite ready to speak as to how it will be integrated into each district as it comes along. I do not agree with some of the things in the White Paper. I have had some practical experience in some of these things, and I do not agree with them. However, while I am on my feet, I might say in relation to this size of timber on pulpwood concessions. What we are doing in relation to saw-mills; there are 1,363 saw-mills operat-

ing in this province, and over 1,000 of them are operating on pulp concessions and doing it on a portable-saw basis. There are several hundred in the Lake-head area, and to the best of my knowledge, no one has gone without logs.

HON. MR. FROST: Mr. Chairman, I would say to the hon. member for York South that I had a good deal to do with the White Paper.

MR. MacDONALD: I hope you did not have anything to do with the grammar, it is one of the worst pieces of writing I have seen.

HON. MR. FROST: Two of those who collaborated on the White Paper and did a great deal of work on it, were Dean Sisam of the University of Toronto, and General Kennedy, who is in the House this afternoon, and he spent some time with The Department of Lands and Forests and with The Department of Highways in relation to certain matters in which we are interested. In these problems we often find there is no unanimity of opinion. The hon. Minister of Lands and Forests mentions that as a practical man, and one who has spent his lifetime in the timber industry, there are things he disagreed with there.

I can quite understand that. When talking to the department man and consultants, and others, there are, in many cases, differences of opinion which are really only resolved by experience. The matter of silviculture, forest culture, as a matter of fact, is a new idea in many ways. It is new in comparison with other provisions and matters of that sort. It may be years old as a matter of actual fact, I do not know how far back it goes, probably 50 or 100 years, but I would say to the hon. member that in America it is a comparatively new thing. As a matter of fact, I think the silviculture men, such as Kennedy and Sisam and others, are constantly looking for better methods, and no method is taken as a final answer.

That is one of the conditions the hon. member would find exists in this very great problem with which we are con-

fronted. I have said before that it is perfectly true there is a different view on the part of industry, but there is a different view on the part of people too. In the days of the settlement of this province, forests were counted as an enemy, and anything which would destroy them, whether fire or whatever method was adopted, was done. Forests were destroyed, as a matter of fact, in the north country. Ofttimes fires were started because that was the way to start blueberry patches in the old days. I know areas in Ontario today where there are blueberry swamps, where fires occur with great regularity. I do not know whether the hon. Minister of Lands and Forests has run across those cases, but I know of some myself. It may be that some of that old idea still persists in the present day, but, generally speaking, there has been a complete reversal of people's views in relation to forest culture, and to the necessity of conserving forests, and that is reflected in these amounts.

MR. MacDONALD: I am not impressed by this kind of argument. There are at least 25 commissions which have made reports to governments in the last 40 or 50 years by experts who knew what had to be done to stop the destruction of these resources, and it is a feeble thing to use that as an argument in 1956, that people are not aware of how they should protect these resources, when the experts tell them how it should be done.

I am delighted to hear about the plans the hon. Minister says are on his drawing board at the present time, but my belief is that they are a generation or two generations too late. We had such plans in the Drury government, in the Ferguson government and we had them in 1947, with the Kennedy Report. Nothing happened then—

HON. MR. FROST: Until now.

MR. MacDONALD: There is some basis for doubt as to whether something will be done this time, and when the hon. Minister has proven otherwise I will be glad.

I want to pick up where I left off. I shall forgo the extreme pleasure of bringing the House up-to-date on various policies in Saskatchewan, and how they built a forest industry in a province where nobody believed it was possible.

I want to go back to the point I was discussing when the hon. Prime Minister interjected. I agree that there is some regeneration which goes on naturally, but if the hon. Prime Minister will look at the Kennedy Report, he will see it indicates that there is anywhere from $2\frac{1}{2}$ to 5 million acres requiring regeneration. At least half of that may be natural regeneration, but there is another half in red and white pine areas where that does not happen or, if it does, you have inferior species which have little or no commercial value.

My contention is that our reforestation programme is pitifully inadequate in terms of meeting the needs. We have set an objective of 31 million trees, only $\frac{1}{3}$ of that going to the Crown lands which require regeneration. However we are not doing enough.

That is the point I would like to ask the hon. Minister about. Last year, this government raised from forest industries \$19.7 million in revenue. They spent \$17.1 million; in other words, there was only about \$2 million net revenue going into the provincial treasury and the rest of the money which was raised was ploughed back into the industry, yet there is not enough to do a reforestation programme of any magnitude.

One would think if this government were interested in reforestation, at least it would be raising a bit more money to expand that programme. The government has the men, it has the facilities for expanding it by at least 40 million or 50 million trees with the basic facilities they have at the moment. All they lack is money. If they had more money they could get more men and more facilities to raise the figure to 100 million trees a year.

What is this government doing? This government is budgeting to raise less money from the forest industry next year than it did in the past year, in spite of the fact of the inadequacies of their

programme to improve their reforestation programme. They are budgeting for less money next year than last year for reforestation, so I do not think they are making any progress on those grounds at all.

That brings me back to the point as to why these people should "get away" with the kind of thing which they have been "getting away" with. It also brings me to the point I raised that this government decides it needs more forest fire-fighting equipment and brings in a Bill to obligate these companies to supply the equipment for fire-fighting, and then when the companies make representation to the government, the government withdraws its Bills. Is this government the master of these companies?

HON. MR. MAPLEDORAM: Yes.

MR. MacDONALD: Why does not the hon. Minister raise enough money to have a programme? If this government is the master of these companies, why does the hon. Minister bring in a Bill to provide adequate forest fire-fighting equipment, and withdraw the Bill because they make representations against it? This government is not the master, but the servant of the companies.

HON. MR. MAPLEDORAM: I just got through saying we will do that when we have assessed this, and found out what it costs.

MR. MacDONALD: Why do we have to wait? The need is obvious.

HON. MR. MAPLEDORAM: It is a very simple matter to throw our whole economy out of gear.

MR. MacDONALD: The hon. Minister is not going to do that by raising \$10 million out of the profits of the pulp and paper companies.

HON. MR. MAPLEDORAM: The industry would never come into Ontario, but would go to the southern United States.

MR. MacDONALD: It will go to the south still more unless you do something.

Mr. Chairman, if you will permit me, I will make my final point. My first point was in regard to lumber, my second point was in regard to reforestation and my third point is with regard to pulpwood. I think there is a very serious situation here.

I do not know whether this is one of the quotations from the White Paper which the hon. Minister does not agree with, because he is a practical man, but on page 4 of the White Paper, we find the following:

Pulpwood, which was first cut in Ontario at the turn of the century, by 1930 reached a production of one million cords, and by 1951 was just under 3 million cords. There are many indications that the cut of spruce pulpwood in Ontario—

Now note this:

—may soon reach its peak or a position similar to that reached by the white pine sawlog industry in 1908. Almost the same forces are at work with respect to the pulp and paper industry and spruce pulpwood as caused the decline of the white pine sawlog industry.

In other words, here I draw to the attention of the hon. member from Port Arthur who is very interested in this, by the testimony of the government's own statements, they are within reaching distance of reaching the peak production of pulpwood which will then drop off, because we are not conserving our pulpwood resources.

HON. MR. MAPLEDORAM: The hon. member should read a little bit further down in the report.

MR. MacDONALD: I will if the hon. Minister wants me to.

What were the causes of the decline in the white pine lumber industry, now so apparent? They were:

1. Too rapid a removal of the virgin stands;

2. lack of regeneration on any adequate scale after logging; and

3. lack of adequate protection of the growing forests from fire, insect attacks and other destructive agencies.

Is that enough or does the hon. Minister want me to continue, and read more?

HON. MR. MAPLEDORAM: That is just what I got through saying. We are doing something about it.

MR. MacDONALD: I am very glad to hear that, because it is time we did. We are within reaching distance of the peak production for pulpwood as well as sawlogs.

This is what I want to ask the hon. Minister: is he doing something about this? The hon. member for Port Arthur made a speech last year. He comes from an area where he is very interested in pulpwood, and he pointed out that spruce is the heart and soul of the pulpwood industry, because spruce is the high-grade pulpwood, and if you do not have that high-grade pulpwood, I suggest to the hon. Minister, it is just possible that many of these companies which are coming in and depleting our resources will not be interested in coming here.

HON. MR. MAPLEDORAM: Mr. Chairman, may I answer?

MR. MacDONALD: Mr. Chairman, I have been interrupted about 12 times already this afternoon, and I would like to continue for just a minute.

These companies will not be interested in coming in and establishing an industry with all the transporting difficulties, and the distance from their markets in northern Ontario, if they cannot get spruce because of its superior quality.

I draw to the hon. Minister's attention that in the southern part of the United States in areas where they have reforestation, they are cutting 16 million cords of pulpwood a year. We cut 3 million cords of pulpwood a year which might show you how small that is by comparison.

HON. MR. MAPLEDORAM: Yes, but that is 10 years against our 60 or 65.

MR. MacDONALD: The point I want to ask the hon. Minister specifically about is: according to this report, spruce represents less than half of our pulpwood stands. Yet we are cutting spruce at a rate of 75 per cent. of our annual cut; in other words, we are destroying the "heart and soul of the pulpwood industry," if I may quote the hon. member for Port Arthur, because we are cutting it at the rate of 75 per cent. of our annual cut, and it only represents 50 per cent. of our stands. If this is an accurate document, when spruce has been removed from the scene, our industry will not be in a competitive position with the developments in the southern United States in reforested areas where you have new technological developments so that you can use inferior species of woods such as pine.

What is being done to make certain that in our pulpwood we are putting in enough of the less superior species, shall I call them, or the inferior species along with spruce, so that we do not destroy spruce which is the heart of the pulpwood industry? I would like an answer from the hon. Minister in regard to that in specific terms.

HON. MR. MAPLEDORAM: Mr. Chairman, I agree that the white and black spruce have been a very great drawing card, as far as newsprint is concerned, in the Province of Ontario, and I do not think it is essential to the economy of the province to completely cut spruce. As the hon. member pointed out they are making newsprint in the southern United States from an inferior type of pine which, in the United States, would compare with our jack pine in Ontario.

MR. MacDONALD: I agree.

HON. MR. MAPLEDORAM: I have been talking with representatives of all the companies and pointed out to all of them, that the rate of cutting can no longer go on, that they will have to use all species on their limits.

MR. MacDONALD: Does the hon. Minister have the regulations to enforce that?

HON. MR. MAPLEDORAM: We will bring in regulations to that effect. They used to say that could not be done, but it has been pointed out very definitely in the south that it can be done. Another factor is these mills are getting more diversified in Ontario. You may have a craft and newsprint operation going on at the one time, which allows them to clean cut their limits in a good sound forestry practice. Up until the last few years, there was a certain amount of highgrading as far as spruce was concerned. Our district foresters are watching that very closely. They have their instructions, and they are to make sure the highgrading does not go on; in other words they will have to use the jack pine.

One of the bad features before this time was they left stands of jack pine, after they were through, which fell down because the other trees had been cut down or they were blown down. We have to get down to the cutting of the limits, the way the forests have grown, and there is no income they can make out of it, except they can use a small percentage of poplar, to be sure, as well as jack pine in a newsprint operation. Our mills are getting more and more diversified.

MR. MacDONALD: What percentage of the cut last year was spruce?

HON. MR. MAPLEDORAM: I do not have the figures with me, but I can give you figures for one company. For instance, K.V.P. only cut 12,000 cords of spruce. They have cut it progressively on jack pine and poplar, and they are treating jack pine and everything else. They have jack pine to sell and they are using a very small portion of spruce. Actually they are reserving the spruce.

MR. MacDONALD: I think anybody who looks into this will agree it is the heart of our pulpwood industry, because I am convinced no American company will come up and establish a

company in northern Ontario when they can market it more economically in the more accessible areas in the United States.

What is happening to our spruce is that it will soon reach its peak, and then will fall off.

Will the hon. Minister next year make sure the House is informed how much of our cut is spruce so that we can see where we stand?

HON. MR. MAPLEDORAM: I think that is a good suggestion, Mr. Chairman. I am, quite frankly, worried about that myself. I think there has been too much of that going on. Everywhere I have gone in this province I have spoken about it. I warned these companies they have to put their houses in order.

MR. MacDONALD: I am a little less optimistic than the hon. Minister.

HON. MR. MAPLEDORAM: Perhaps the hon. member is.

HON. MR. FROST: May I point out something in connection with southern pine. I do not want to underestimate the possibilities of southern pine as a competitor for our own woods, but I think I can say, Mr. Chairman, there has been a tendency to overestimate the competitive power of southern pine, for two or three reasons, which I will mention.

First of all, southern pine is not as good as our wood. It is quite true that the black spruce is the very best wood but, nevertheless, we have several species of woods growing in our province which are superior to southern pine from the standpoint of texture and use in this particular matter.

Another interesting fact has come about very recently. As a matter of fact, our growth south of North Bay is pretty well as satisfactory as the growth in some of the southern states, because of climatic conditions. When we get north of North Bay, we run into more northern latitudes and the growth is slower. Investigation during the past few years has indicated that south of

North Bay, from a growth standpoint, we are as competitive as the southern people. That has been disclosed by the silviculture people in the last few years. I do not think we can overlook this fact, which is another interesting point, from the standpoint of our wood and timber, that in Ontario about 85 per cent. of our land area is still owned by the Crown. That in itself is a very great asset.

MR. MacDONALD: And it also leaves the department with a big obligation.

HON. MR. FROST: Yes, I agree. In a number of areas in southern Ontario, and the Algonquin Park area, the Crown-land area is very great, south of North Bay. And when we go north of North Bay, there is only a minute percentage of the land which is privately owned.

Then, let us consider the southern states to which this would apply; the north end of Florida, Georgia, Alabama—I would say Louisiana would be pretty far west—parts of Tennessee, the Carolinas, Virginia, West Virginia and Pennsylvania, I think, would pretty well cover the area.

In that area, first of all, there is very little land which is not privately owned. About the only areas which are not, are the state parks, and that area is not a drop in the bucket compared to our own parks, leaving out the other Crown lands.

There is another factor which I think should come into this. If the hon. member would go to the southern states and tour around, he would see the tremendous switch in population. There has been a tremendous increase in population in the southern states, and also in industrial development, I think from the shortage of water in the north, and secondly, perhaps there is more area available in the southern states due to the aftermath of the Civil War. But that is rapidly decreasing. As a matter of fact, it will be found that in the states I have mentioned, they will soon have to apply a number of taxes, real estate, schools and things of that sort. Quite

aside from everything else, the economic effect of that expansion which has developed, would offset any advantage—if that is an advantage—of growth. That is something into which our silviculture people are looking in a different way at the present time.

However, I do not leave out of the picture what has been said by the hon. member. I think our job is to protect our forests, and to provide the very best methods possible, because, in doing that, we are providing for the permanency of the industry in this province for all time to come. With the increase in the requirements for newsprint, with the great population in the United States, if we permit our forests to be devastated, we will lose what will be a tremendous advantage to the province in the future, and I am “all for” preserving our forests, and devising better methods of operations, in every way possible.

I think it is true that the lumber and timber industry is recognizing that more and more, and that upon regeneration and production depends the life of the industry in which we are all interested.

MR. S. L. HALL (Halton): Mr. Chairman, perhaps while the hon. member for York South is sitting down, I might ask a question which I was not permitted to ask before. I would like to ask the hon. member for York South how many of the operations in the north country he has visited?

MR. MacDONALD: Does the hon. member mean lumber companies?

MR. HALL: Pulp and paper.

MR. MacDONALD: I have visited the one in Kapuskasing—

MR. HALL: That is enough. If that is not one of the biggest, it is one of the very good pulp and paper mills in the Province of Ontario. Whether or not the hon. member knows it, it is operating a reforestation programme, where they are growing seedlings, and replanting them, and it is their hope

that, in the very near future, the Crown lands over which they operate will bear trees in perpetuity, so the cut will never run out. The hon. member made the remark concerning "slashing the timber," and I would like to say to him that this company, by its policy of reforestation, is doing a big job, and is planting tree for tree for every one it cuts.

MR. MacDONALD: If that was a question, I have two comments: (a) I visited the pulp and paper mills across Ontario, and even beyond, from Liverpool, Nova Scotia, to those in British Columbia.

MR. HALL: Then it is a wonder the hon. member did not secure more facts.

MR. MacDONALD: I have gathered facts, and the hon. Prime Minister and hon. Minister are aware of them whether the hon. member for Halton is or not. I agree with him that this company has done a better job than any other company in Ontario.

MR. HALL: The hon. member never mentioned that fact.

MR. MacDONALD: But there are a number of others, including Abitibi, which has done next to nothing. I wish all the companies in Ontario would take a look at the company in Kapuskasing, and duplicate its effort. If they would, we would not have only 7 million trees reforested by private companies in this province.

MR. WHICHER: I have one thing which I would like to bring to the attention of the hon. Minister, which I brought to his attention the other day, and in connection with which I received a very nice answer. There have been many people in the townships and some of the counties who have petitioned the hon. Minister about deer being run with dogs. In my own little area, there have been several petitions from the township to the county, requesting that dogs be not allowed to run deer. The

department has always said it was up to the individual county or township to enforce the law. Of course, that was impossible, because none of the municipalities have policemen to go out and arrest hunters who are allowing their dogs to chase deer. I was very happy this morning when the hon. Minister stopped me and said that from now on, when any county wished to have dogs stopped running the deer population, he would see that the law would be enforced by The Department of Lands and Forests, through its field men.

I think that is a great step forward because undoubtedly it has been a hardship in many instances, where dogs have gone across farm lands. The farmers did not want them there, but they did not feel they could do anything about it, and I am very happy to have the hon. Minister tell me that from now on it will be looked after by the department.

HON. MR. DUNBAR: And have the dogs well trained so they will stop at the line fence.

MR. GORDON: When a person is convicted of hunting out of season, and has paid his fine, what does he have to do to get his gun back, and how much will he have to pay?

HON. MR. MAPLEDORAM: It depends on circumstances. In many cases there is no return at all. In other circumstances, where we do not feel the charge is a very serious one—and there are different degrees of charges—the man can have his gun back by paying the nominal fee of \$5, by making application to the department.

MR. GORDON: I wrote to the department in connection with a case and was told it was \$10.

HON. MR. MAPLEDORAM: It might have been a different charge.

MR. GORDON: No, on the same charge, and the candidate for election at that time got his back for \$5, so he got a \$5 better deal than I did.

Votes 902 and 903 agreed to.

On vote 904:

MR. MacDONALD: I want to come back to the Bill the government brought in, because it sort of became lost in the shuffle. The hon. Minister said they had enough fire-fighting equipment last year, yet the government brings in a Bill which provides there should be fire-fighting equipment across the province, especially for the lumber and pulp and paper industries. This Bill had first and second readings, and was referred to the committee on Lands and Forests and in that committee it was killed because of representations made by the companies. It seems strange that the department, with its efficient staff, should bring in a Bill to secure more fire-fighting equipment, and that the Bill should be killed in committee because of representations by the companies. From that, I can draw only one of two conclusions; either the government does not want them to "pay the shot", and will take it upon itself, or the government, with its efficient staff, has drawn the Bill in a very sloppy manner.

I think the hon. Minister knows that more fire-fighting equipment is needed and why should not the department have forced the private owners to provide some of it, particularly if the government is not raising any money to pay for it, because the government is raising less from the forest industries this year than it did last year. I think there I have the department either "going or coming", and I would like an answer.

HON. MR. MAPLEDORAM: Mr. Chairman, I must confess that the reason I withdrew the Bill was the fact that the wording of it was very difficult for the operators to understand. In fact most of the members of the committee sitting there could not "catch the drift".

MR. MacDONALD: They knew they would have to have more money for fire-fighting equipment.

HON. MR. MAPLEDORAM: No. Let us get down to cases. We have had good fire-fighting co-operation with industry on the various limits. No one wants to see a limit destroyed by fire,

and it was because we feared we might destroy that good co-operation, by putting an axe over the heads of some of the smaller companies, which might possibly put them out of business, that the Bill was withdrawn. I am not worried about the larger operators; they are not taking any chances of their limits burning up, and are providing ample equipment, but it might be the means of putting some of the smaller operators out of business. We feel we have received excellent co-operation. However, the thing which really "broke the camel's back" in the Act was in regard to the compensation arrangement in connection with these fires. We were trying to protect ourselves on that. We had an arrangement in the last year or so between the compensation department, the operators and ourselves, under which we would take care of our own compensation of the cost for fighting fires, but we felt that perhaps there would be certain operators who would try to take advantage of the situation, and dump their problem over onto us, and we did not want to assume the responsibility. They do not want to assume their responsibilities. So I think if we have done nothing else, we have pointed up the fact to the operators that the group we have there represent the O.F.I. who represent probably two-thirds of the saw-mill operators and the pulp and paper industry in Ontario, they are their official organs, or their official representatives, and we did point up to them that this was a very, very difficult thing to handle, that we did find instances of people "chiselling" and cheating, but that we had had good relations. That was brought out very clearly by our Department staff, but with the fear in our mind that by forcing the issue we might build up a relationship that would be detrimental to the department. Goodness knows, I do not want to do that, when we get into fire-fighting.

So I withdrew the Bill, Mr. Chairman, on the understanding that we would have another look at it, and at the same time warned them that they had their job to do, and they admitted it.

MR. MacDONALD: I would like to see the hon. Minister getting tough, I will be right back of him when he does that.

HON. MR. MAPLEDORAM: I think I was very tough in committee. There are hon. members here who were there then. I did not make bones about it, and I never have.

MR. MacDONALD: Then whatever the reasons were for withdrawing the Bill, let us not dispute them further. Clearly the government felt it needed more fire-fighting equipment, and were going to have it established by the private companies. Now that that is not going to be the case, because the hon. Minister has withdrawn the Bill for at least a year, does he not think the Estimate should be raised?

HON. MR. MAPLEDORAM: I think the main factor brought out in the Bill was the fact that we wanted trained personnel. We are not worried about equipment as much as we are about trained personnel.

MR. MacDONALD: It said both.

HON. MR. MAPLEDORAM: It said both, but we were thinking in terms of personnel. They took the stand we might want to be keeping crews standing by to fight fires, which would put the small operators out of business, and we had no intention of doing that at all. As hon. members know, we operate two fire-fighting schools in the province, one in the north-west, and one in the north, and, as a matter of fact, we wanted these smaller operators to send one or two representatives there to learn, and to go home and teach the employees. That is all we wanted them to do.

MR. MacDONALD: We can review the situation next year.

Vote 904 agreed to.

On vote 905:

MR. OLIVER: Mr. Chairman, I want to make a remark or two in relation to some item, I do not care exactly

which one. It has to do with the empires that we are giving away up north by way of leases to these companies.

HON. MR. FROST: To which empire in the hon. leader of the Opposition referring?

MR. OLIVER: If the hon. Prime Minister will listen a moment or so, he will know what I am talking about.

HON. MR. FROST: We are still dividing up the empire the hon. leader of the Opposition's party gave us.

MR. OLIVER: There are 3 companies in a particular area, and I want the hon. Prime Minister to get the significance of this. These 3 companies are the Dryden Company, the Anglo-Canadian Pulp and Paper, and the Anglo-Newfoundland. Those 3 companies have something like 6,720 square miles under lease, and the Dryden Company, I understand, in February of this year, were given a reserved lease on an additional 1,200 square miles until 1960, so they would have now some 8,800 square miles of timber limits under lease from the government.

I am quite cognizant of the need for a sizeable acreage, or whatever it may be called, to support pulp and paper mills, but I suggest to the House that we should have from the government a review of the situation which would lead us to the place where we could understand, if possible, that these huge limits are needed either for existing mills or for purposes of expansion. One mill is in operation, the Dryden Mill; another one was forecast a year or so ago in Sioux Lookout and I imagine these leases would have something to do with preparing material for those mills, but it does seem to me that we are getting into the position where huge acreages are given to these leaseholders, perhaps in excess, or what would look to the layman to be an excess, of either their needs at the moment, or their needs in the foreseeable future. I would like to hear the hon. Minister on that subject.

HON. MR. MAPLEDORAM: Mr. Chairman, I think in relation to the Dryden Paper Company, they do have an expansion programme of approximately \$11 million, at the present time. They announced, a year ago, a forecast project for the future for a total overall figure of about \$22 million. One thing I think should be brought out is the fact that in these reserve areas, there is not any security as far as these companies are concerned, Mr. Chairman. They are just given as an opportunity for them to look them over, and give us an opportunity to assess the overall picture, when they get really into production, so that we will be able to assess their tonnages against the amount of timber they have on their limits. Then, if their reserve is too big, we are quite within our rights to legally remove that reserve area. But when we are watching a development like Dryden Paper Company, which seems to be a continuous development, we feel we have to set aside a big enough area to take care of the overall development, and then when that development is completed, we are in a position to withdraw the reserves not needed by that company.

Let me say too, that as far as I am concerned, Mr. Chairman, none of these limits are being given out under a lease to companies on the basis of just a promise.

MR. OLIVER: Of what, Mr. Chairman?

HON. MR. MAPLEDORAM: On the basis of a promise of doing something. In other words I felt — and I think it is a new departure for the department — that we should not sign any 21-year leases with these people on any reserved areas, or any reserved areas to anybody who says they are going to do something; in other words, as far as I am concerned, I have to have a letter from the President of a company, signed by himself, saying they are ready to spend "X" millions of dollars, and on the basis of that letter, I will go to Cabinet Council and ask for the right to issue a licence for one year or

18 months, and within that period, if they have not produced, then we are quite within our rights in wiping out the licence.

That is the procedure as far as Anglo-Newfoundland Paper Company is concerned, and as far as any of these companies are concerned. In other words, it is done, not on a basis of promises, but on a basis of producing.

MR. OLIVER: May I ask what is the picture in regard to Anglo-Newfoundland?

HON. MR. MAPLEDORAM: Mr. Chairman, I am sorry I have no new information, except that I do know they have used up approximately a year of their 18-month licence, which gives them until some time next Fall to start to work. I may say now that I have not any intention of extending that licence, unless they can show they are actually going to go to work, and I think I have the backing of the Cabinet and government generally in that policy. I have not heard anything recently except that they have spent a tremendous amount of money in engineering, they have had a crew up there — I think the hon. member for Kenora can verify that — I know they have their people in there checking the water levels, they have gone into it very, very thoroughly, I have seen on drawings the locations of their proposed mills, and the type of buildings they propose to erect, and I think it is a straight case of finances. If they can be raised, they will go ahead, and if not they will not. I have not heard any more about it.

MR. MacDONALD: I am encouraged again that a note of toughness is emerging in the hon. Minister, and I would like to see him carry it a step further. He refers to a certain licence being given to the Dryden Mill because the Company was expanding. Is the department reviewing licences on huge empires which were given some time in the past? For example, a year or so ago, when this little storm blew up in the Hearst area because of the export of

pulpwood, I shall never forget riding down in a plane one day and sitting next to a member of the Chamber of Commerce of Hearst. I tell the House this simply to show how authoritative it is, as Chambers of Commerce never misrepresent anything. This gentleman told me that Abitibi has licenced areas across this nation so big that they would stretch from Halifax to Vancouver in a strip 6 to 8 miles wide. I have never taken the time to calculate whether it is valid.

HON. MR. MAPLEDORAM: I do not think it is.

MR. MacDONALD: But certainly Abitibi is one of the companies that has staggering concessions which have been licenced to it.

In case hon. members do not think this is a serious aspect of the problem, let me quote from Major-General Kennedy's Report:

The illogical allocation of Crown Lands to operators has also made a marked impression.

That is, on the committee.

In many instances, timber areas held by operators have little reference to the present needs of the units of the industry concerned. Some have much more than their mills as presently constituted can possibly use while others, particularly the vast majority of the saw-milling group, can foresee their extinction due to lack of timber in periods of time varying from 2 to 25 years.

Then on the next page:

Throughout the years there has been no enduring policy—

and this is really what I am interested in hearing what the hon. Minister has to say,

—throughout the years there has been no enduring policy concerning the leasing of forest lands to the various interests.

And Major-General Kennedy goes on to say:

Political expediency at times seems to have entered into negotiations and at all times the bargaining capacity of the units of industry or commerce concerned has made itself apparent.

In other words he says if a good company had some "in", they could easily get what they asked for.

HON. MR. MAPLEDORAM: Mr. Chairman, I think the hon. member will be fair enough, and I think hon. members of the House will agree, that in the past, before we had a forest inventory, there were big areas given out to companies on the basis of an operation. They did not know what they wanted, nor how much timber they needed. They did not have any idea, but there were great areas given out. Now it has been my policy to review these areas, and I have discussed this phase of the problem with the hon. Prime Minister and the Cabinet in relation to the building up of this great northwestern part of the province. The only way you can do it is to utilize every stick of wood that needs to be harvested in the area and on an actual basis of perpetuating the forest.

We cannot do that, Mr. Chairman, if some company is holding a tremendous area which they are not using. About two weeks ago, in Port Arthur or Fort William, I made that very statement. I said: "We have already talked to some companies and we are calling them all in to discuss the position of their limits." I am not only going to talk in generalities, I am going to talk about some of these vast areas they are holding.

Now I would say, in all fairness to Abitibi, they have given up a tremendous amount of their holdings over the past 5 years and as I understand the situation with Abitibi, all their areas are now set up in relation to the particular mill they support. To the best of my knowledge, we have just written a new licence within the last year and a half or two years with Abitibi, on most of their concessions, and I would say they would be very well assessed at that time. In the northwestern part of the province, their general limits do not come up for renewal within the next few years but

I would say offhand—and I have so stated in some of the announcements I have made recently—in most cases there is no need to give any amount of limits out again. In other words, if they put in another machine or two machines, they still must have the area to support it, or them. And without being unkind to anyone, I would say that I think the towns of Marathon and Terrace Bay were not settled on a basis of a 300-ton mill, because those are beautiful town sites and I would say that in the original thinking of the letting of licences for those areas, it was on the basis of a much greater expansion, and there may have been something which turned up in the meantime which prevented this company from expanding.

I feel it is my duty as Minister to talk to the presidents of these companies and ask them their views about these areas. I am doing that.

MR. OLIVER: In addition to this 1,200 square miles on which a reserve lease was given, what are these reserve leases backed by, Orders-in-Council? Does the Order-in-Council not follow the giving of the lease? That has not been done in this case.

HON. MR. MAPLEDORAM: There is some doubt in my mind as to whether this area will be retained for Dryden. There are other companies interested, and on the figures we are getting in my office, we are having another look at the situation.

MR. OLIVER: Would not the reserve lease to Dryden be accompanied by an Order-in-Council at approximately the same time?

HON. MR. MAPLEDORAM: It is only a short-term proposition to assess things.

MR. OLIVER: It is to 1960, is it not? How long is it?

HON. MR. MAPLEDORAM: A year or two at the most.

MR. OLIVER: Does the issuing of short-term leases not require an Order-in-Council?

HON. MR. MAPLEDORAM: We wanted to have a look at the area. We were reserving it to have a look at it, and assess the whole situation. Just about the time I took office, my understanding was that there was an \$11 million project going on right away, and they had plans for another \$11 million project to follow through. The hon. member for Kenora might know that. I believe that was why this area was given out. Whether or not the plans go ahead, we depend on the decision as to whether or not this will be written into their agreement.

Vote 905 agreed to.

Votes 906 to 909, inclusive, agreed to.

On vote 910:

MR. MacDONALD: Mr. Chairman, I have one final question—whether it is on vote 910 or not, I do not know. I raised this matter two or three times this afternoon, but the government said nothing about it, and I think it is something we should not ignore. How can this government justify not raising more stumpage dues from these industries, when we have reforestation which needs to be expanded, and which needs money, and when that is the only thing that stops it. We also have the suggestion that firefighting will cost more, if we are to have our basic requirements. Yet this government is planning, according to the Budget this year, to raise less from these industries than was raised in the past year.

This government gets horribly sensitive when one accuses it of being too sympathetic with regard to some of these industries. May I read a comment from the *Globe and Mail* of last October 25, when the pulp and paper companies raised prices once again, and when one could draw attention to their exorbitant profits even before the raise. The quotation says:

In their haste to increase their prices, it seems the companies have overlooked this one important point so far as Ontario is concerned—the government has leaned backward in its concern for the welfare of these companies.

I suggest the government has leaned too far backwards for the welfare of these companies, and when we need expanded reforestation to bring up the basis of these industries again, it is nonsensical of the government to budget in this year to raise less than last year. Why did the government not raise the stumpage dues?

HON. MR. MAPLEDORAM: Mr. Chairman, I am pleased to tell the hon. member for York South that the government has raised the dues. It raised the dues on some species by some 500 per cent.

MR. MacDONALD: It is raising less revenue.

HON. MR. MAPLEDORAM: That was in 1950-1951. We do not want to destroy the relationship between the province of Quebec and Ontario, if we can avoid it, and our dues are exactly the same. When the government of Quebec was considering doing very many drastic things, they did nothing to disturb the dues.

MR. MacDONALD: That does not surprise me. What the Quebec government does or does not do has no real validity in terms of the legitimate amount to raise from these industries, to help the industry itself. I think if it is a case of asking this industry to contribute more to the general revenue, to meet the needs of the people as a whole, that would be another issue. All I am asking is that it should contribute to meet the needs of the industry itself, which should be put on a productive basis, because it has been destroyed by these unfortunate methods in the past.

MR. NIXON: Mr. Chairman, in regard to item No. 1, the salvaging of fire damaged timber, payments to contractors and other incidental expenses; the hon. leader of the Opposition in his earlier remarks, asked the hon. Minister if he would give some explanation of the Mississagi fire salvage operation. I am very interested in the report of that very extensive operation. There was a good deal of discussion about it in this

House at the time, and this operation gave the department a good deal of concern over several years. I would like to know to what extent it has been wound up, and if the government or the department intends to repeat this sort of operation on any other fire damaged areas from last year. Or, is the department going to handle the salvage there in a different way?

HON. MR. MAPLEDORAM: In answer to the first question, the Mississagi fire situation is just about cleared up. We have approximately 450 feet, board measure, of odd sizes of lumber left in the yard.

In relation to what the hon. member said about the Campbell Lumber Company, the timber in their yards has all been liquidated, and has been cleared out.

In relation to the Lattey equipment, this is one of the unfortunate things in the Mississagi operation. It was one of the deals which did not work out, and the department had to step in and deal with the operation. The best information I have is that this Lattey equipment was all taken by the sheriff, and then we had no control. It is probably scattered, as the hon. member said, all across the province.

At present, we are asking for \$28,000 in this year's vote, for handling the limited concentration of lumber left in the area. This will clear up the operation. We have paid off all the capital debt, and paid a great deal towards the ordinary debt. We will end up, probably, having spent about \$700,000, having salvaged a tremendous amount of timber which would have rotted in the bush. We have opened up a tremendous area for tourists and other people. We have about 140 miles of all-weather road, and about 400 miles of bush road, built in that area. It was a tremendous operation, probably the largest operation ever undertaken in the province of Ontario.

I think it was to the credit of the government and the Legislature that it undertook it. It would have been a tremendous loss to this province to have

that tremendous amount of timber rot after a fire. It was before my time as Minister, and I am not familiar with most of the details. However, I have a complete audited report on the Mississagi fire, and I would be very glad to let the Opposition have a copy, if they have not received one already.

We believe it will be cleared up by that \$28,000 expenditure. That will leave roughly \$750,000 which we have not recovered, from the over-all amount of money put in by the government. However, we spent money on wages, and we did many other things in the area, and we ended up with all these roads. It was a salvation that we had those roads this year, as some of the area burned by the Mississagi fire was this year the scene of other fires, when a great deal of it was burned over slash, and some of the new growth, I am unhappy to add. It seems to be an area which we will have to scrutinize all the time. I have that financial report here, and I will be happy to let the Opposition have a copy, giving all the details.

MR. OLIVER: I do not think the hon. Minister has answered the question completely. The hon. Minister said it would have been a shame to have allowed the damaged timber in the Mississagi area to have rotted. What has he to say about the timber which has been left after this fire, which was much bigger than the Mississagi?

HON. MR. MAPLEDORAM: Yes, the hon. member for Brant asked me a question. I can say, in most cases, in fact in no case, has the government entered into any salvage operation this year, but most of the fires were on concessionaires to some company. They have been given the first opportunity to make the salvage. If they were not interested in taking over the salvage, we wrote to everyone we could in the area concerning that place, we advertised in the newspapers, and offered compensations for making the salvage. In the case of 95 per cent. of the areas burned, they are now under salvage operations through our department or through a licensee who has a licence for the area.

I think I said the figure was 117 million feet, which we figured was salvageable. Another factor which should be known is in regard to the Admiral Lake fire, in the Chapleau area, which started approximately on May 1, because of the terrifically dry area, the bores got into that timber, worse than in the past 2½ years, in a period of 6 months because of the unusually dry conditions. The salvage is going ahead. There are 5 or 6 portable mills in operation, and a few planning mills. It is a major operation.

The over-all figure for dues is figured on a basis of little better than half-dues. Taking one fire alone, we would realize half a million dollars in dues on the Admiral Lake fire. Therefore, it is a sizeable operation.

Vote 910 agreed to.

Hon. Mr. Porter moves that the committee rise and report certain resolutions.

Motion agreed to.

The House resumes; Mr. Speaker in the Chair.

MR. EDWARDS (Perth): Mr. Speaker, the Committee of Supply begs to report it has come to certain resolutions, and asks leave to sit again.

Motion agreed to.

The following Bills, upon motions, were read a third time:

Bill No. 1, An Act respecting the city of Chatham.

Bill No. 5, An Act respecting the township of North York.

Bill No. 8, An Act respecting the city of Sault Ste. Marie.

Bill No. 17, An Act respecting the city of Stratford.

Bill No. 27, An Act respecting the Beechwood Cemetery Company of the city of Ottawa.

Bill No. 33, An Act respecting the town of Chelmsford (No. 1).

Bill No. 34, An Act respecting the town of Chelmsford (No. 2).

Bill No. 39, An Act respecting the county of Renfrew.

Bill No. 88, An Act to amend The Assessment Act.

Bill No. 118, An Act to reconstitute the Institute of Chartered Accountants of Ontario.

Bill No. 130, An Act to amend The Municipal Act.

MR. SPEAKER: Resolved that the Bills do now pass and be intituled as in the motions.

HON. DANA PORTER (Provincial Treasurer): Mr. Speaker, I move that the House do now resolve itself into Committee of the Whole.

Motion agreed to.

House in Committee; Mr. Edwards in the chair.

TOWNSHIP OF STAMFORD

House in committee on Bill No. 21, "An Act respecting the township of Stamford."

Sections 1 and 2 agreed to.

Preamble agreed to.

Bill No. 21 reported.

SOCIETY OF INTERIOR DECORATORS OF ONTARIO

House in committee on Bill No. 24, "An Act respecting the Society of Interior Decorators of Ontario."

Sections 1 to 9, inclusive, agreed to.

On section 10:

MR. A. H. COWLING (High Park): Mr. Chairman, in connection with section 10, I would like to move that section 10 be deleted from the Bill.

MR. H. C. NIXON (Brant): What is the effect of that, may I ask?

HON. MR. PORTER: That was done in committee, I believe.

MR. COWLING: It had to do with the initials after the name, and it was felt that by eliminating section 10, we

knocked out the idea of using the initials "RID."

Motion agreed to.

Section 10, formerly section 11, agreed to.

Section 11, formerly section 12, agreed to.

Section 12, formerly section 13, agreed to.

Section 13, formerly section 14, agreed to.

Section 14, formerly section 15, agreed to.

Preamble agreed to.

Bill No. 24 reported.

AGRICULTURAL SOCIETIES ACT

House in committee on Bill No. 100, "An Act to amend The Agricultural Societies Act."

Sections 1 to 8, inclusive, agreed to.

Bill No. 100 reported.

BRUCELLOSIS ACT

House in committee on Bill No. 101, "The Brucellosis Act, 1956."

Sections 1 to 23, inclusive, agreed to.

Bill No. 101 reported.

CONSERVATION AUTHORITIES ACT

House in committee on Bill No. 58, "An Act to amend The Conservation Authorities Act."

Sections 1 to 3, inclusive, agreed to.

Bill No. 58 reported.

PUBLIC LANDS ACT

House in committee on Bill No. 86, "An Act to amend the Public Lands Act."

Sections 1 to 12, inclusive, agreed to.

Bill No. 86 reported.

PROVINCIAL PARKS ACT

House in committee on Bill No. 87,
"An Act to amend the Provincial Parks
Act, 1954."

Sections 1 to 7, inclusive, agreed to.
Bill No. 87 reported.

HOMES FOR THE AGED ACT

House in committee on Bill No. 102,
"An Act to amend the Homes for the
Aged Act, 1955."

On section 1:

HON. L. P. CECILE (Minister of
Public Welfare): Mr. Chairman, I
move that the Bill be amended by adding
thereto, the following section:

"1. Clause (c) of section 1 of The
Homes for the Aged Act, 1955 is
amended by inserting after 'as' in the
second line 'revised and', so that the
clause shall read as follows:

(c) 'last revised assessment rolls
as equalized' means last revised assess-
ment rolls as revised and equalized for
the purposes of this Act by the
assessor of the territorial district, or,
if there is no district assessor, by The
Department of Municipal Affairs.

and by renumbering the sections of the
Bill accordingly."

Motion agreed to.

Section 1, as amended, agreed to.

Section 2, formerly section 1, agreed
to.

Section 3, formerly section 2, agreed
to.

Section 4, formerly section 3, agreed
to.

On section 4:

HON. MR. CECILE: Mr. Chairman,
I move that the Bill be amended by add-
ing thereto, the following section:

"I move that section 4 of the Bill, to
be renumbered as section 5, be struck
out and the following substituted there-
for:

4.—(1) This Act, except section 1,
shall be deemed to have come into
force on the 1st day of April, 1956.

(2) Section 1 shall be deemed to
have come into force on the 1st day of
January, 1955."

Section 5, as amended, agreed to.

Section 6, formerly section 5, agreed
to.

Bill No. 102 reported.

THE CHAIRMAN: It being 6 of
the clock, I do now leave the Chair.

It being 6 of the clock, the House took
recess.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Monday, March 26, 1956

Evening Session

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

MONDAY, MARCH 26, 1956

8 O'CLOCK, P.M.

The House resumed.

THE CHARITABLE INSTITUTIONS ACT

House in committee on Bill No. 103,
"The Charitable Institutions Act, 1956."

Sections 1 to 16, inclusive, agreed to.

Bill No. 103 reported.

THE GAME AND FISHERIES ACT

House in committee on Bill No. 109,
"An Act to amend The Game and Fisheries Act."

Sections 1 to 3, inclusive, agreed to.

On section 4:

HON. C. E. MAPLEDORAM
(Minister of Lands and Forests): In
section 4, there is a suggested amend-
ment of the word "raccoon" in para-
graph 106.

Section 4, as amended, agreed to.

Sections 5 to 10, inclusive, agreed to.

Bill No. 109 reported.

THE MINING ACT

House in committee on Bill No. 114,
"An Act to amend The Mining Act."

On section 1:

Hon. P. T. Kelly moves that sub-
section 1 of section 164 of The Mining
Act, as enacted by section 1 of the Bill,
be amended to delete the words "in

any orebody" so that the paragraph (a)
would read as follows:

"(a) for the purposes of preliminary
investigation, development headings
may be advanced to 20 feet from the
boundary;"

Section 1, as amended, agreed to.

Section 2 agreed to.

Bill No. 114 reported.

TRAINING SCHOOLS ACT

House in committee on Bill No. 97,
"An Act to amend The Training
Schools Act."

Sections 1 to 3, inclusive, agreed to.

Bill No. 97 reported.

THE LABOUR RELATIONS ACT

House in committee on Bill No. 110,
"An Act to amend The Labour Rela-
tions Act."

Section 1 agreed to.

On section 2:

MR. F. R. OLIVER (Leader of the
Opposition): Did I understand the hon.
Minister the other day to say that the
new setup will be that these concilia-
tion officers can be paid any salary the
hon. Minister desires, that is, that there
is no fixed salary in the Bill or in the
Statutes at the present time?

HON. C. DALEY (Minister of La-
bour): Mr. Chairman, it has come
about that a fixed rate of \$60 has been
established for the judges, and our rate
is \$25. Of course, there is a little dif-
ference in the expenses, as they get
their transportation, which they have

to pay, so there is not the difference at the present time between \$60 and \$25 as appears. This amendment was put into effect so that the conciliation officers could be paid on a parity with the judges. They do exactly the same work.

MR. OLIVER: What was the reasoning of the hon. Minister? Why did he not put a set figure in the Statute? If he wanted \$50, why not say so?

HON. MR. DALEY: This was the simplest way to do it, so that by Order-in-Council we could pay the same rate as established for judges by the federal government. They are doing the same type of work, and one man may be a judge and one may not. We felt we should have this power to pay them.

Section 2, as amended, agreed to.

On section 3:

MR. R. GISBORN (Wentworth East): Mr. Chairman, where it would be the case that a merger or alteration or transfer of jurisdiction was mutually agreed upon by the unions involved, will this amendment mean — and is it the wish of the Minister — that no trade union would lose any of its bargaining rights, where the transfer took place on a mutual basis?

HON. MR. DALEY: Yes, this is actually an experimental Act. Where they agree, there will be no difficulty at all, but it is in those cases where they may not agree we are trying to get them before the board. This is the best way we can figure it out to try to eliminate any difficulty, because of this amalgamation.

Sections 3 to 6, inclusive, agreed to.
Bill No. 110 reported.

THE DEPARTMENT OF ECONOMICS

House in committee on Bill No. 115, "An Act to establish The Department of Economics."

Sections 1 to 6, inclusive, agreed to.
Bill No. 115 reported.

THE FINANCIAL ADMINISTRATION ACT

House in committee on Bill No. 116, "An Act to amend The Financial Administration Act, 1954."

Sections 1 to 6, inclusive, agreed to.

Bill No. 116 reported.

THE PROVINCIAL LAND TAX ACT

House in committee on Bill No. 117, "An Act to amend The Provincial Land Tax Act."

Section 1 agreed to.

On section 2:

Hon. C. E. Mapledoram moves that subsection 2 of section 5 of The Provincial Land Tax Act, as re-enacted by section 2 of this bill, be amended by inserting after "line" in the second line "or any part thereof not situate in an organized municipality," and by inserting after "Act" in the fourth line "relating to the value to be put upon any land for the purposes of this Act," so that the subsection, exclusive of the table, shall read as follows:

"(2) For the purpose of the annual tax under section 3, a pipe line or any part thereof not situate in an organized municipality shall be deemed to be land to which this Act applies and, notwithstanding any other provision of this Act relating to the value to be put upon any land for the purposes of this Act, the Lieutenant-Governor-in-Council shall fix the valuation per foot of length at not more than the valuations set out in the following table, and the valuations so fixed shall remain in force from year to year until changed by the Lieutenant-Governor-in-Council."

Section 2, as amended, agreed to.

Section 3, now section 4, agreed to.

Bill No. 117 reported.

THE FIRE DEPARTMENTS ACT

House in committee on Bill No. 99, "An Act to amend The Fire Departments Act."

On section 1 :

HON. A. K. ROBERTS (Attorney-General) : On section 1, the amendment of which I gave notice on second reading now appears in the reprinted Bill.

Hon. Mr. Roberts moves that section 1 be amended to read as it now appears in the Bill in lieu of the earlier section No. 1.

Motion agreed to.

Section 1 agreed to.

On section 2 :

HON. MR. ROBERTS : With respect to section 2, the amendment to which I gave notice on second reading appears now in the printed form and "120" appears where "90" appeared previously in the section.

Hon. Mr. Roberts moves section 2 be amended.

Motion agreed to.

Section 2 as amended agreed to.

On section 3 :

HON. MR. ROBERTS : With respect to section 3, "30" now appears where "14" had appeared previously. Again this amendment appears in the printed form.

Hon. Mr. Roberts moves section 3 be amended.

Section 3, as amended, agreed to.

Sections 4 and 5 agreed to.

Bill No. 99 reported.

THE FINES AND FORFEITURES ACT

House in committee on Bill No. 132, "An Act to amend The Fines and Forfeitures Act."

Sections 1 to 3, inclusive, agreed to.
Bill No. 132 reported.

THE POLICE ACT

House in committee on Bill No. 133, "An Act to amend The Police Act."

Sections 1 to 7, inclusive, agreed to.
Bill No. 133 reported.

THE POWER COMMISSION ACT

House in committee on Bill No. 104, "An Act to amend The Power Commission Act."

Sections 1 to 3 agreed to.

On section 4.

MR. OLIVER : On section 4, will the hon. Minister tell the House wherein this new section differs from the one which has been repealed?

HON. W. K. WARRENDER (Minister Without Portfolio) : The explanation here, Mr. Chairman, is that :

Section 2 of the Bill amends clause *a* of section 26 of The Power Commission Act respecting frequency standardization so as to permit the commission to convert with their consent works wherever situate of other persons supplying or purchasing power to or from the commission.

Section 3 of the Bill re-enacts subsections 1 and 2 of section 32 of The Power Commission Act with the intent of clarifying and improving the method of taking compulsorily lands required for transmission works.

Section 4 of the Bill amends section 104, subsection 1, of The Power Commission Act to enable the commission to control "charges for supplying power and the rents and charges to meet the cost of any work or service done or furnished for the purposes of a supply of power," chargeable by any municipal corporation receiving power from the commission or chargeable by any others receiving power from the commission.

Under the present section, the commission is empowered to control rates chargeable by a municipal corporation. The commission has always interpreted "rates" to include all those charges attributable to the supply and distribution of power by a municipal corporation.

Experience has shown, however, that it is necessary to clarify the intent of the section by extending the control and approval of the commission to cover additional charges incurred in supplying

power that may be levied by a municipal corporation. The commission is experiencing increasing difficulty with municipal corporations which are attempting to charge the capital cost of distribution plant to home owners and subdividers. This practice throws out of balance the equality of rates in the area and discriminates against home owners in some new subdivisions.

Section 5 of the Bill amends section 112, subsection 1, of The Power Commission Act. This section now provides that the commission may direct the use of surplus funds in the hands of a municipal corporation or a municipal commission.

All boiled down, it simply means in some new areas where new subdivisions have been planned, municipal corporations have as a condition, before signing the release of the subdivision, charging certain rates to the subdivider himself, and in addition to that after the houses are sold and the new home owners move in, they are charged some of those charges all over again. In other words, it is charged twice against that particular home owner, so in order to remove that difficulty, 6 months was thought advisable.

MR. R. WHICHER (Bruce): Mr. Chairman, I would like the hon. Minister to explain how that could happen, because before any rate could be set, permission would have to be obtained from the Hydro.

HON. MR. WARRENDER: Actually, it has been happening. Some municipal corporations have, as a condition of releasing a subdivision, been charging rates to the person who is developing the land, and later on there is a charge against the utility.

MR. OLIVER: How can they charge a person before it is started? They have to get the approval of Hydro, under the Act.

HON. MR. WARRENDER: That is what has been happening.

MR. OLIVER: If it has been happening before, it will happen under this Act. The hon. Minister is saying they have to get the approval. They had to get approval before, so wherein lies the difference?

HON. MR. WARRENDER: This was drafted on advice of legal counsel who say it will cover the situation, and it was brought in for that purpose.

Sections 4 to 7, inclusive, agreed to.

Bill No. 104 reported.

NIAGARA DEVELOPMENT ACT

House in committee on Bill No. 105, "An Act to amend The Niagara Development Act, 1951."

Sections 1 to 4, inclusive, agreed to.

Bill No. 105 reported.

ST. LAWRENCE DEVELOPMENT ACT

House in committee on Bill No. 106, "An Act to amend The St. Lawrence Development Act, 1952 (No. 2)."

Section 1 agreed to.

On section 2:

MR. P. MANLEY (Stormont): Mr. Chairman, on section 2, the amendment is, I believe, to enable the commission to apply to the Ontario Municipal Board for settlement. Is it not the policy of the commission to contact each and every one involved, and should not they be in a position to determine what the damages or compensation is?

HON. MR. WARRENDER: That is not the point. Actually what this means is that the commission is able to bring these matters before the municipal board in order to have the compensation fixed. In the past, some of the people in this area decided they wanted no "truck" with any matter of expropriation at all. They said, in effect, they did not want to talk negotiation or price at all.

This, of course, means that some of these matters have been left "up in the air", and they do not want to settle or talk about it, so this is an effort to get the matter before the Ontario Municipal Board. Of course, it cannot be settled by the municipal board until the owner has been given notice of the hearing, and had an opportunity to make representations, or have someone make representations on their behalf.

It is to prevent these cases where someone will not discuss expropriation, or say they do not want any "truck" with us at all, and leave it hanging in the air.

MR. MANLEY: I would like to ask the hon. Vice-Chairman if this will apply to all cases in the seaway valley, where the owner has not filed a claim?

HON. MR. WARRENDER: Naturally, if there has been a negotiated settlement, that would be the end of it. This will deal primarily with cases where there has been negotiation and an opportunity has been given to the owner to talk terms of settlement, and who says that he wants no part of it, and nothing is done about it. He does not make representations to us, or to the municipal board to have it heard. Some day we have to get on with this job and get it completed, and have the cases heard, and this is an effort to bring the matter before the municipal board.

MR. MANLEY: Just on that, I am of the opinion that everyone in the seaway valley is quite anxious for Hydro to approach them. I do not think they are of the opinion they are not going to try to settle with Hydro. But I do think the tactics which have been used by Hydro in not making the proper approaches to the people is why a great number of these people are just sitting quietly and not making a move.

There are a number of people, I am sure, who have not been approached up to the present time, and there have been a number of people approached, and there is a sort of offer made. I just want to bring this to the attention of the House. I am referring, at the present

time, to what The Hydro-Electric Power Commission calls a "form purchase."

This is the sort of form they use. They discuss the property sale, or what-have-you, with the property owner and sometimes, after they leave, they send this form back to the owner, already made out. The first thing on the top is "form purchase", and the date, and then they say "confirming our discussion, I am prepared to recommend a proposal to purchase your property on the basis outlined." The form goes on to say the name of the owner, the price, the address, the lot number and what-have-you. Then there is the approximate number of acres, and then, down at the bottom, they give a total figure.

Now, in there, is the number of acres, but they do not mention the price per acre, nor what they are paying for buildings, nor what the "15 per cent. forceful taking" is. The funny part of it is they put across the bottom of this form, "This proposal does not constitute an offer of purchase, and is made without prejudice," and then it is signed by The Hydro-Electric Power Commission land agent.

That is very misleading, as far as I am concerned, and I do not know why The Hydro-Electric Power Commission land agents do not classify the land, the buildings and the forceful taking. I do not know why they do not put these figures in, because I am sure it would be beneficial to the people concerned, and they are of the opinion there should be a breakdown. They would like to know what they are being paid per acre for their land, and the amount for their buildings, and I think these people are entitled to that. I think the Hydro should say what they are paying for in dollars and cents, and itemize the statement.

If the agents are sincere, why do they go to the farm owner and make an offer like that, and then put on the bottom that it does not constitute an offer to purchase? They have gone there to purchase a farm, or to make some sort of an arrangement with the farmer or property owner, and then they send them a form which says it does not constitute

an offer to purchase. I think that is silly. I think every case has to be dealt with individually, and I think it is time Hydro should get right down there and try to do business with these people.

As I said a moment ago, there are a good many people in the valley who have not been approached, and time is getting on, and it is not going to be very long before these people have to move to other localities. It is pretty hard for them to establish themselves, if they do not know what they are going to do, and have to go out and try to establish themselves in another locality.

I would like to hear what the hon. Minister who is Vice-Chairman of Hydro has to say in that respect.

HON. MR. WARRENDER: Mr. Chairman, the form which has been referred to is being used in an effort to start somewhere on negotiations for the property. One has to start somewhere, and Hydro's men are going around evaluating both land and buildings, and this form represents an effort to try to tell the owner what is in the minds of the land agents of Hydro.

To show you that it has worked out successfully, Mr. Chairman, it is my understanding that a great many negotiated deals have been concluded without any trouble at all, based on that form, and the 15 per cent. is shown after the other two items are given, that is the suggested price for the land and the suggested price for the building. Fifteen per cent. of that is then added, and the total shown.

We have had to expropriate in very, very few cases. When the hon. member for Stormont (Mr. Manley) asks why we do not approach these people nor get in touch with them, I say that we are doing that. We are gradually working down the valley from Iroquois to Cornwall, and in a short time — by summer I would say — everyone who will be affected by the flooding will have been approached, and we will try to make deals with them.

If we cannot make a negotiated deal based on the form referred to by the

hon. member, they have a right to take the matter to the board of review, which has been set up in the valley and, failing satisfaction there, they have a right to take it on to the municipal board.

However, as I say, Mr. Chairman, in the main, this has worked out very well indeed, and I think the big majority of people with whom we have dealt are satisfied.

MR. MANLEY: That is a matter of opinion.

HON. MR. WARRENDER: Well, that is my opinion.

MR. MANLEY: The Vice-Chairman of Hydro said it shows on here what "forcible taking" is. There is no figure showing what "forcible taking" is. It is all one figure.

HON. MR. WARRENDER: Excuse me, I did not say that. I said when you take the total of the two figures, that is the gross price for the land, and the gross price for the building, then you can figure 15 per cent. of that, and add it on. But you cannot arrive at the 15 per cent. for "forcible taking", until you get the other two figures, or an approximate price.

MR. MANLEY: I agree with that, but the point I wanted to make, Mr. Chairman, is why does not the land agent, or whoever is making up these forms that we have here, itemized as to what Hydro is paying the property owner for his buildings, and what they are paying him for his acreage? I do not see why. It is all there. It could be inserted quite easily, and I think the owners are expecting it of Hydro.

HON. MR. WARRENDER: Eventually that is done, Mr. Chairman. But, as I say, this is merely to initiate the proceedings. Later on, when it reaches the stage where they have agreed on a certain figure, then an offer to purchase will be entered into, and at that time the vast majority of cases will show

the breakdown just as it comes before the commission: so many dollars for land, so many dollars for buildings, 15 per cent. of that for forcible taking and then the total, and that is approved by the commission.

MR. MANLEY: Mr. Chairman, the hon. Vice-Chairman of Hydro has said the majority of people are satisfied in the seaway valley. I have a file before me, and I want to assure hon. members of the House that a number of people are not satisfied in the seaway valley. I have plenty of evidence here before me, and I want to make it quite clear to the House, that everyone is not satisfied.

May I refer to just one case in the seaway valley, to give the House an example, of whether people are satisfied or not.

Some 70 years ago the main line of the Grand Trunk Railway, now the Canadian National, between Montreal and Toronto, was put through the heart of the farmlands in what today is known as "Seaway Valley". A farmer in this area today, whose grandfather was paid \$95 per acre for part of his farmland by the Grand Trunk Railway, has been offered only approximately \$100 per acre for his entire farm.

Remember, Mr. Chairman, 70 years ago eggs sold at 5 to 10 cents a dozen, today they sell at 65 to 70 cents a dozen, yet the same farm land that commanded \$95 an acre 70 years ago receives an offer of only \$100 an acre today.

Now let us be realistic. Is it any wonder I contend the people in Seaway Valley are not satisfied? How can they be under such conditions? The people of Seaway Valley are waiting for an enlightened policy from the Ontario Hydro that is more in line with today's conditions.

If the hon. Vice-Chairman of Hydro contends that many settlements have been made there and the people are satisfied, I wish that he would tell this House the total number of acres of rural land which have been purchased by Ontario Hydro in Seaway Valley, and what price

has been paid for that total acreage. That will give us an average price per acre.

I think the House should be aware also of a statement made by the hon. Minister of Highways (Mr. Allan) some time ago. In speaking to the Ontario Association of Rural Municipalities, on February 14, 1956, he said that his department 10 years ago bought a piece of land for \$500 per acre and recently sold one acre of this same land by auction for \$25,200. I remember also the hon. Minister of Highways, when speaking in this House not very long ago, said his department bought land for \$400 an acre, and they were selling it for \$7,000 an acre.

May I say to hon. members of the House, Mr. Chairman, that I wonder if Hydro is using the same tactics, or planning the same as The Ontario Department of Highways. It is today negotiating and buying all this land right through Seaway Valley. It has it all from highway No. 401 to the new Lakeshore. It is acquiring that land, which is going to increase greatly in price. It is bound to increase with the development taking place there, and if they are going to acquire that land, and make a profit on it, such as was made by The Ontario Department of Highways on their purchases, then I say to this House, the acquiring of that land in Seaway Valley is not going to cost The Hydro-Electric Power Commission one nickel. It is going to be the people who are being uprooted, and moved out of that valley, who are going to pay for the project.

I think it is very unfair, and I think it is time that the people of Seaway Valley receive the kind of treatment that they deserve, because they are making a great sacrifice there, and I think it is time this thing should be brought to a very speedy conclusion, and that these people should know where they are going, and what they are going to receive.

HON. MR. WARRENDER: Mr. Chairman, may I say, in conclusion, that I believe the people in the valley

are being treated fairly and equitably, as was promised before we ever started the arrangement down there.

We are buying land there for as low as \$65 an acre, and when one buys land, one has to consider the nature of the soil. Some of it is good, and some of it is bad, and we have been negotiating deals down there with people who are over 21, who are quite pleased to make these deals with us for their land and their buildings. While I cannot give the hon. member for Stormont the total number of acres in proportion to our development there, when he speaks about the "appreciated value of this land," I want to point out that the vast acreage we are acquiring is to be flooded, so how can the hon. member say we are going to get the benefit of its appreciated value?

So I say in all sincerity to the hon. member that we are treating those people fairly. We have very few complaints, and the complaints which have come in can be taken to the board of review, to have what we consider an impartial hearing away from Hydro and, failing that, may go further, to the municipal board.

I claim we are doing a fair job with these people; they are all being treated fairly. They are being given 15 per cent. for forceable taking, because of the unusual nature of the development.

If the hon. member will give me the name of the person to whom he referred, and the concession and lot numbers, I will be glad to look into it, and see if it is in line with the policy we have established.

Section 2 to 6, inclusive, agreed to.

Bill No. 106 reported.

MOTHERS' ALLOWANCE ACT

House in committee on Bill No. 74, "An Act to amend The Mothers' Allowance Act, 1952."

Sections 1 to 3, inclusive, agreed to.

Bill No. 74 reported.

THE MUNICIPAL SUBSIDIES ADJUSTMENT ACT, 1953

House in committee on Bill No. 107, "An Act to amend The Municipal Subsidies Adjustment Act, 1953."

Sections 1 to 3, inclusive, agreed to.
Bill No. 107 reported.

THE WORKMEN'S COMPENSATION ACT

House in committee on Bill No. 111, "An Act to amend The Workmen's Compensation Act."

Sections 1 to 7, inclusive, agreed to.
Bill No. 111 reported.

THE MEDICAL ACT

House in committee on Bill No. 119, "An Act to amend The Medical Act."

Sections 1 to 3, inclusive, agreed to.
Bill No. 119 reported.

THE HIGHWAY TRAFFIC ACT

House in committee on Bill No. 120, "An Act to amend The Highway Traffic Act."

Sections 1 and 2 agreed to.

On section 3:

Hon. D. Porter moves an amendment to section 3. Subsection 1, of section 12, to read as follows:

"Every motor vehicle, other than motorcycles, when operated upon a highway shall be equipped with two braking systems, each with a separate means of application and effective on at least two wheels, one of which shall be adequate to stop the vehicle as required by regulations made by the department and the other of which shall be adequate to hold the vehicle stationary."

The object of this amendment is to make it clear that all motor vehicles shall be equipped with at least two braking systems.

Section 3, as amended, agreed to.

Sections 4 and 5 agreed to.

On section 6:

Hon Mr. Porter moves an amendment that subsection 3 of section 6 of the Bill be struck out and the following substituted therefor:

"3. Subsections 8 and 9 of the said section 34 are repealed and the following substituted therefor:

"(8) The municipal corporation or other authority having jurisdiction over a bridge may by by-law approved by the department make regulations limiting the gross weight of any vehicle or combination of vehicles or any class thereof passing over such bridge and notice of the limit of the weight fixed by such regulation, legibly printed, shall be posted up in a conspicuous place at each end of the bridge.

"(9) The Lieutenant-Governor-in-Council may make regulations limiting the gross weight of any vehicle or combination of vehicles or any class thereof passing over a bridge forming part of a provincial highway or a highway in territory without municipal organization and the requirements of subsection 8 with respect to the posting up of notice shall apply thereto."

He said: The amendments clarify the authority of the Lieutenant-Governor-in-Council to make regulations, and of a municipality to pass by-laws limiting the gross weight of vehicles passing over a bridge forming part of a provincial highway.

Section 6, as amended, subsections 8 and 9 agreed to.

Sections 7 to 18, inclusive, agreed to.
Bill No. 120 reported.

THE ONTARIO MUNICIPAL BOARD ACT

House in committee on Bill No. 121, "An Act to amend The Ontario Municipal Board Act."

Sections 1 to 10, inclusive, agreed to.

On section 11:

HON. W. A. GOODFELLOW: On section 11, I would like to make the following amendment:

"(1) This Act, except sections 5, 6 and 9, comes into force on the day it receives Royal assent.

"(2) Sections 5 and 9 shall be deemed to have come into force on January 1, 1956.

"(3) Section 6 comes into force on April 1, 1957."

Section 11, as amended, agreed to.

Section 12 agreed to.

Bill No. 121 reported.

ONTARIO FUEL BOARD ACT

House in committee on Bill No. 124, "An Act to amend The Ontario Fuel Board Act."

Sections 1 to 6, inclusive, agreed to.

On section 7:

Hon. Mr. Porter moves the following amendment:

"In clause (b) of subsection 1 of the proposed section 35 to delete the words 'any such class' and substitute the words 'them or any class of them'; so that the paragraph would read as follows:

"(b) Prescribing classes of appliances, piping, fittings or vents, or any of them, and regulating and controlling the types, construction, installation, repair, maintenance, replacement, use or removal of them or any class of them."

Section 7, as amended, agreed to.

MR. D. MacDONALD (York South): Mr. Chairman, before you complete this Bill, I think this is a legitimate point to raise. I assure the hon. Minister I am not raising it for the purpose of arguing a point. I brought this to the hon. Minister's attention a couple of weeks ago. It is now certain that there is a jurisdictional "no man's land" in the fixing of prices of natural gas. Let me draw attention, in the first instance, to what has been stated in the federal House, as to who is responsible for price fixing.

HON. MR. PORTER: Mr. Chairman, that has nothing to do with this Bill.

MR. MacDONALD: Why has it not something to do with this Bill? This Bill deals with the powers of the fuel board to fix prices.

HON. MR. PORTER: Mr. Chairman, I do not know to which section the hon. member is referring. There are no amendments dealing with price fixing at all. This Bill provides for regulations as to the standards to be applied to appliances. It has nothing to do with rate fixing at all.

MR. MacDONALD: Very well. Even if we cannot consider it here, it is still true that either this government or the government in Ottawa should deal with it.

Sections 8 to 11, inclusive, agreed to.
Bill No. 124 reported.

THE TILE DRAINAGE ACT

House in committee on Bill No. 125, "An Act to amend The Tile Drainage Act."

Sections 1 to 4, inclusive, agreed to.
Bill No. 125 reported.

MOTOR FUEL TAX ACT

House in committee on Bill No. 126, "An Act to impose a tax on the purchasers of fuel, other than gasoline, for use in motor vehicles."

Section 1 agreed to.

On section 2:

Hon. Mr. Porter moves the following amendment:

"That subsection 1 of section 2 of the Bill be amended by striking out 'registrant' in the first line, and inserting in lieu thereof 'person', and by inserting after 'supply' in the first line 'fuel', so that the subsection should read as follows:

"(1) No person shall supply fuel and no person shall receive fuel as a registrant unless registration certificate has been upon his application issued to him

under this Act, and unless such certificate is in force at the time of the supplying or the receiving, as the case may be."

HON. MR. PORTER: Mr. Chairman, in the original draft, I think there was a slight mistake.

Amendment agreed to.

Section 2, as amended, agreed to.

Sections 3 to 22, inclusive, agreed to.
Bill No. 126 reported.

GASOLINE TAX ACT

House in committee on Bill No. 127, "An Act to amend The Gasoline Tax Act."

Sections 1 to 4, inclusive, agreed to.
Bill No. 127 reported.

THE LINE FENCES ACT

House in committee on Bill No. 128, "An Act to amend The Line Fences Act."

Sections 1 to 3, inclusive, agreed to.
Bill No. 128 reported.

THE BURLINGTON BEACH ACT

House in committee on Bill No. 129, "An Act to annex Burlington Beach to the city of Hamilton."

Sections 1 to 17, inclusive, agreed to.
Schedule agreed to.
Bill No. 129 reported.

THE CHILD WELFARE ACT

House in committee on Bill No. 131, "An Act to amend The Child Welfare Act, 1954."

Sections 1 to 14, inclusive, agreed to.
Bill No. 131 reported.

THE CHILD WELFARE ACT

House in committee on Bill No. 134, "An Act to amend The Child Welfare Act, 1954."

Sections 1 to 3, inclusive, agreed to.
Bill No. 134 reported.

THE FIRE MARSHALS ACT

House in committee on Bill No. 136, "An Act to amend The Fire Marshals Act."

Sections 1 to 3, inclusive, agreed to.
Bill No. 136 reported.

THE LIQUOR LICENCE ACT

House in committee on Bill No. 137, "An Act to amend The Liquor Licence Act."

Sections 1 to 3, inclusive, agreed to.
Bill No. 137 reported.

THE PLANNING ACT

House in committee on Bill No. 138, "An Act to amend The Planning Act."

Sections 1 to 3, inclusive, agreed to.
Bill No. 138 reported.

THE PUBLIC COMMERCIAL
VEHICLES ACT

House in committee on Bill No. 139, "An Act to amend The Public Commercial Vehicles Act."

Sections 1 to 5, inclusive, agreed to.
Bill No. 139 reported.

THE HIGHWAY IMPROVEMENT
ACT

House in committee on Bill No. 140, "An Act to amend The Highway Improvement Act."

Sections 1 to 3, inclusive, agreed to.
Bill No. 140 reported.

THE MUNICIPALITY OF
METROPOLITAN TORONTO
ACT

House in committee on Bill No. 108, "An Act to amend The Municipality of Metropolitan Toronto Act, 1953."

Section 1 agreed to.

On section 2:

Hon. Mr. Goodfellow moves the following amendments to section 2, as follows:

By inserting after the word "council" in subsection 1 of section 3a, "and other trustees of police village in the Metropolitan Area," and amending the last line to read "first Monday in December."

Section 2, as amended, agreed to.

Sections 1 to 7, inclusive, agreed to.
Bill No. 108 held over.

Hon. L. M. Frost moves the committee rise and report certain Bills with amendments and certain Bills without amendments.

Motion agreed to.

The House resumes, Mr. Speaker in the chair.

MR. J. F. EDWARDS (Perth): Mr. Speaker, the Committee of the Whole House begs to report certain Bills with amendments and certain Bills without amendments and asks leave to sit again.

Report agreed to.

HOSPITAL SERVICES
COMMISSION OF ONTARIO

MR. R. WHICHER (Bruce): Mr. Speaker, I was rather caught off balance by the hon. Prime Minister. I have so many speeches in my desk I could not find the right one. I am very glad we have not forgotten this issue, because I believe it is one of the most important that has been brought into this sitting of the Assembly.

I would like to stress the Liberal position on this particular Bill, and I do want everyone to know that we definitely want hospital insurance. Health insurance and hospital insurance fall into the philosophy of Liberalism, which for many, many years, has stressed individual welfare and security of the individual, and human betterment for all Canadians.

To emphasize this point, I would point out that for many years, as far as welfare measures go, we have such things as family allowances, old age security pensions, unemployment insurance and so on. This is something of

which we, as Liberals, have been very, very proud, and we do hope something will be done with this Bill at this session.

As a matter of fact, while I hope something will be done, I have not any real confidence that it will be. For the past several months now, the Conservatives in Ontario, and particularly the newspapers supporting the Conservatives, have stressed the fact that the hon. Prime Minister has "seized the ball" from the Liberals in Ottawa, and that hospitalization is something which has practically gone through. I will quote from an editorial in the *Globe and Mail* of March 9, 1956, which says:

HOSPITAL PLAN ROBBED LIBERALS OF ISSUE: HEES

Premier Frost's hospital insurance proposal has robbed the Liberal Party of an evergreen election issue, George Hees (PC, Toronto-Broadview) said last night in a broadcast.

Mr. Hees said the Frost 5-point programme for hospital insurance took the Ottawa government completely by surprise.

"Up until the time when Mr. Frost made his proposal, it was well known in Ottawa that Mr. St. Laurent and his government had no intention of joining with the provinces in a health insurance programme," Mr. Hees said.

"It was their intention to go on using health insurance as evergreen election bait, as they had done at every election since 1921."

Premier Frost forced the government's hand, he said, and "Mr. St. Laurent was therefore forced to come in on the smallest possible scale he thought he could get away with — just enough to pay lip service to national health insurance."

Mr. Hees said what is needed is a full health insurance plan instead of just hospitalization.

Mr. Speaker, I say that what Mr. Hees said there was entirely true, because—

HON. L. M. FROST (Prime Minister): I want to disabuse the hon. member's mind of any ideas such as Mr. Hees mentioned. I have no idea of trying to rob anyone of an election issue, or doing anything but what seems to be good business for the people of this province. That is my only concern and my only interest. It is not necessary to take time to prove that I have any other motive, because I have not.

MR. WHICHER: That is very nice; I am very pleased that the hon. Prime Minister took that minute, because it gave me a moment to collect my thoughts. However, inasmuch as he did take that minute, there are several other things I can quote here, for which the hon. Prime Minister will not have such a nice answer.

I would like to impress on the hon. members here that, while the hon. Prime Minister may say that he is not influenced by these things, nevertheless, for the past 2 or 3 months, across this whole province — in fact, when the federal government gave their proposal to the province of Ontario and, indeed all the provinces — immediately the papers of this province took up the issue, and it was looked upon as almost a positive fact that now we were going to have hospital insurance, through the great offices of the hon. Prime Minister of the province of Ontario.

Indeed, let me quote from another editorial in the *Globe and Mail* of May 26, 1955 — and this is a report of a statement which the hon. Prime Minister made in Kitchener:

Emphasizing both the importance and magnitude of the problem, Premier Frost told a crowd of 400 in the Kitchener-Waterloo Collegiate Institute tonight that the Conservative administrations of the last 12 years have been working quietly but efficiently on a sound foundation for health and hospital insurance.

HON. MR. FROST: That is right, quite right.

MR. WHICHER: That, of course, was before the election. As the hon. member for Oshawa says, that is exactly 12 years before the election, and I suggest—

HON. MR. FROST: You have been at it 35 years, and I have only had 12.

MR. WHICHER: The hon. Prime Minister is away out of date, I have not been at it 35 years. I suggest that after 12 years of complete study, they should be able at least to present a plan, so we can attempt to tear it apart if necessary, and if it is good legislation, to put it through.

However, instead of that, something has been set up which has been referred to the Committee on Health, and we have not anything to talk about whatsoever.

HON. MR. FROST: That is right.

MR. WHICHER: I mean, we have no plan to talk about whatsoever, and the so-called experts come in and enunciate certain principles we have discussed and discussed and discussed, and evidently the hon. Prime Minister, after 12 years of study, has already made up his mind as far as hospital insurance is concerned, and I suggest if he has not made up his mind, it is high time he did, because 12 years is a long, long time.

MR. MacDONALD: Two or three years to the next provincial election.

MR. SPEAKER: Order.

MR. WHICHER: He has been in constant touch with the experts of the Blue Cross and with the various medical associations scattered across this province. He knows what the Dominion of Canada is willing to give him, and yet, seemingly he has not made up his mind.

I would like to carry this one step further, Mr. Speaker.

HON. MR. DUNBAR: Do not step backwards.

MR. WHICHER: This is something which the hon. Prime Minister emphasized. He says:

While continuing to build hospitals and provide beds, the Premier added, the next logical step will be the improvement and extension of in-home and outpatient treatment services. When this has been accomplished, the province should turn its attention to lifting the burden of what he described as catastrophic illnesses from Ontario families. Provision of insurance which would protect families from losing their businesses and homes because of illness, he indicated, would be the forerunner of a more general health and hospital programme.

I would like to emphasize that, because it is one point upon which the hon. Prime Minister and I are in complete agreement. As I stated just a minute or so ago, I want to see hospital insurance and, indeed, health insurance, come into this province as soon as it is financially possible. I believe that the federal government have given a very fair offer.

MR. A. J. CHILD (Wentworth): Fair to whom?

MR. WHICHER: After all, they have offered \$180 million to the provinces of this Dominion, and I suggest to some of the "back benchers" who are calling out—

HON. MR. DUNBAR: Oh no, front bench.

MR. WHICHER: The hon. Minister did not speak. I was speaking to these hon. gentlemen over here.

MR. G. LAVERGNE (Russell): Representatives of the people, the hon. member means.

MR. WHICHER: I suggest that \$180 million is still a considerable amount of money, and if provinces such as British Columbia and Saskatchewan could bring in programmes by themselves, surely with that amount of

money, we should be able to take the hospital insurance problem by the horns, and put it through in this province. Because I am sure that the individual of this province is just as worthy of things such as hospital insurance, as in the province of Saskatchewan.

However — and this is what I want to say to the hon. Prime Minister in all sincerity — if he honestly believes that such a programme is not possible, if he thinks that the financial burden would be too great in the year 1958, which he has suggested as the year it might come into being, then I say to him most sincerely that these people who have catastrophic illnesses strike them and their families should be looked after now.

MR. LAVERGNE: They are.

MR. WHICHER: They are not.

MR. LAVERGNE: Yes, they are.

MR. WHICHER: Let the hon. member for Russell ask the hon. Prime Minister if he thinks they are. I say to him that such catastrophic illnesses as tuberculosis and mental disease are looked after.

MR. LAVERGNE: They are looked after.

MR. WHICHER: And I give full credit to the government of this great country which has made it possible, but there are other diseases which are not looked after.

While the hon. Prime Minister has said, as in fact have many federal people, in connection with catastrophic illnesses, the administration necessary to look after them is too great a burden, I still do not believe it. I say to the hon. Prime Minister if he cannot put this hospital insurance plan through to take effect in 1958—or it really should be sooner—I say that the families which have calamity strike them in the form of terrible diseases, such as cancer or many others, should be looked after by this great province.

I believe from the figures which have been quoted by the experts in the Committee on Health that only 1½ per cent. of the population in any given area are stricken by what is known as “catastrophic illness”, in any one given year, and I suggest if there are only 1½ per cent. or 2 per cent. of the people so affected, then there is only 2 per cent. of the administrative costs which would be necessary for a plan, which took in the whole of the people, and I do hope that something will be done immediately as far as calamity or catastrophe insurance is concerned.

In the meantime, let no one doubt where we stand. We are for hospital insurance, we want it now, we believe that if the people of Saskatchewan and British Columbia are worthy of such legislation, then the people of this rich province are also worthy of it, and particularly do we think that those people who have been stricken by calamity or catastrophe in this province are worthy of it right now.

MR. T. D. THOMAS (Oshawa): Mr. Speaker, the other day when the hon. Prime Minister was speaking on this very Bill now being debated in the Assembly, he stated that a hospital programme for the people of Ontario was of great magnitude. He said it so many times, Mr. Speaker, that it became repetitious. Of course it is a great plan, and it is not insurmountable. If the governments of Saskatchewan and British Columbia can provide a plan for the people in those provinces, surely we can do it in Ontario.

MR. A. J. CHILD (Wentworth): Does the hon. member for Oshawa suggest we have the 5 per cent. sales tax here too?

MR. THOMAS (Oshawa): Just a minute, the hon. member will have an opportunity to take part in the debate if he wishes to.

MR. OLIVER: All the hon. member for Wentworth talks about is safety belts.

MR. THOMAS (Oshawa): Mr. Speaker, I think it would be interesting to review in retrospect some of the statements made by government members during the past 12 months. It is quite true, of course, that the hon. Prime Minister when in Ottawa last April stated that a hospital plan should be placed on the agenda, and should be considered. That took place in October, and the question I believe was discussed there. But I think the government was taken completely by surprise. They suggested this to the federal government, but it is my opinion that they were out-manuevered, they never thought for a moment the federal government would ever entertain such a programme.

HON. L. M. FROST (Prime Minister): Does the hon. member for Oshawa mean that he did not think they would keep their promise about paying 60 per cent.?

MR. THOMAS (Oshawa): The hon. Prime Minister never thought for one moment they would even entertain the idea.

HON. MR. FROST: Oh, no, no.

MR. THOMAS (Oshawa): At least it would make propaganda for the Conservative Party in the coming federal election. It could be said, "We offered it to the government of Canada and they turned it down." But surprisingly, the federal government came along and proved receptive to the idea of a hospital plan.

HON. MR. FROST: They changed their offer though, did they not?

MR. THOMAS (Oshawa): I am not going to say anything about that.

HON. MR. FROST: Why not? That is what I am interested in.

MR. WHICHER: It is still a good offer.

MR. THOMAS (Oshawa): Oh, I know the offer they made in 1945 was 60 per cent., but I am very much sur-

prised Mr. Speaker, that hon. members to the right have never taken the hon. Prime Minister up on that argument, because there are numerous reasons why they could oppose his opinion on that one. However, that is up to them.

MR. MacDONALD: They have made a change, but the hon. Prime Minister has never even made it yet.

HON. MR. FROST: Are hon. members opposite trying to oppose me on this, or helping me get this great plan through?

MR. OLIVER: What plan is that?

MR. WHICHER: You have not a plan.

MR. THOMAS (Oshawa): We can get one for the hon. Prime Minister.

HON. MR. PORTER: What is your plan?

MR. OLIVER: You are in government.

HON. MR. PORTER: You promised it so often, we thought you had one.

MR. THOMAS (Oshawa): When the hon. Prime Minister was speaking at this time last year, he mentioned a figure of \$112 million for a hospital plan.

HON. MR. FROST: And the hon. member for Oshawa said that figure was too much.

MR. THOMAS (Oshawa): That is the figure the hon. Prime Minister took. The hon. Provincial Treasurer when presenting the Estimates, takes a figure of \$160 million and later in the session, the hon. Prime Minister raised it to \$190 million. Then on the radio the other day I heard a figure of \$225 million mentioned. It seems to me, Mr. Speaker, that someone is trying to over-estimate any such plan, in order to try to discourage it.

MR. OLIVER: Inflation has set in.

MR. THOMAS (Oshawa): That is what it is, inflation.

Mr. Speaker, I want to deal now with some of the figures presented to the Legislature the other day by the hon. Prime Minister. I want to prove that in order to discourage the plan, someone is over-estimating the cost of such a programme to the people of Ontario. In doing so, let me take one item, Mr. Speaker. The figure of \$7.5 million is estimated for the cost of administration. That works out at about \$1.50 per capita, yet we find in the province of Saskatchewan that the administrative costs of such a programme are 86 cents per capita. So there the government, on that estimate alone, is out 64 cents per capita, which on a figure of \$7.5 million amounts to \$4.3 million. Now the hon. Prime Minister said we ought to be absolutely sure of this plan, we do not want to \$1 million out here or \$1 million out there, but on that one estimate alone, they are out \$4.3 million.

HON. MR. FROST: But the hon. member for Oshawa knows that in Saskatchewan they have a compact agricultural population. They have had no increase in population, as a matter of fact there is a little fall-off in population so it now has between 800,000 and 900,000 people. According to the hon. member, the cost of collection is about 80-odd cents.

MR. THOMAS (Oshawa): Eighty-six cents.

HON. MR. FROST: How can the hon. member compare this great, bustling, growing province of Ontario, which is increasing at the rate of 150,000 a year, with a province whose population is static? In that figure of \$7.5 million which might work out at say \$1.50 per capita, Prof. Taylor for instance, might think that was a shade high.

MR. THOMAS (Oshawa): He said that is quite a bit high.

HON. MR. FROST: There are others who think it is a shade low. That is a compromise figure. I would

say that with our population in Ontario of 5¼ million people scattered over the area as compared with a concentration of population, the \$1.50 is not unrealistic at all, I would say it is a safe estimate.

MR. THOMAS (Oshawa): Mr. Speaker, would the hon. Prime Minister agree that 64 cents is quite a difference?

HON. MR. FROST: I would not, Mr. Speaker. Not with the problem there would be here.

MR. THOMAS (Oshawa): I think it is, and I think that statement is borne out by Prof. Taylor.

HON. MR. FROST: It is a matter of opinion. I am not anxious to over-estimate, but I discussed it a very short time ago with the Deputy Minister. In Saskatchewan they have 8 men who are going about the province checking up on municipalities on arrears and they find 8 men are sufficient for that task. Now, Mr. Speaker, I ask you, in this province where would 8 men, or 9 times that many, say, 75 men, be in checking up on collecting arrears of premiums with our population? It would probably be necessary to have half that number in the county of Ontario, in which is situated the great, growing city of Oshawa. That is a problem, and I should say that 8 men, or 10 times that number, would be just a decimal point in this province.

MR. THOMAS (Oshawa): Is it not a fact that the greater the number participating in any plan, the premiums are proportionately reduced?

HON. MR. FROST: The hon. member for Oshawa talks about Saskatchewan and costs. Here are some very interesting things for him to digest and remember when he is talking about costs. In Saskatchewan they started their plan off at \$5 per person with a maximum for a family of \$30. In 1949, they raised that to \$10 for adults, \$5 for children or \$30 for a family. In 1954, they raised it again to \$15 for

adults and \$40 for a family. In 1947, that amount produced in premiums, \$3,641,000. In 1954, that increased premium produced \$8,266,000.

However, here is the other side of the story, Mr. Speaker. They had to supplement the amount collected through premiums, from general revenues and from sales tax, by \$3,903,000 in 1947, and in 1953 that had risen to \$10,562,000.

MR. MacDONALD: Yes, Mr. Speaker, if the government here had a plan with federal help.

HON. MR. FROST: I am simply pointing that out.

MR. MacDONALD: At least they did it.

MR. SPEAKER: Order.

MR. THOMAS (Oshawa): Without federal assistance.

HON. MR. FROST: That is right, but remember your costs in connection with a static population in Saskatchewan, there is no increase in population there.

MR. MacDONALD: Not a compact population, scattered over a big area.

HON. MR. FROST: Nevertheless, it is static. The population in 1954 was the same as it was in 1947. The total cost had gone up from \$7.5 million in 1947 to \$17.5 million in 1954. That matter had to be financed by very largely increasing the premiums there, and in addition to that, it had to be increased by levying a 1 per cent. sales tax with their education tax, which produced \$5.7 million last year, and then they had to get an additional amount of \$3,270,000 from the ordinary revenue funds.

Now, Mr. Speaker, that is in a province where the population is static, under those conditions the cost was increased over 2½ times. You can imagine in a province such as this, growing at the rate of about 12,000 to 15,000

people every month, the problem is that you would have increased costs if you were not very careful.

I should like to point out to the hon. member for Oshawa, representing as he does, a riding including a great many who are on payroll, and would be paying their costs through payroll deductions, that he should be very careful that he does not saddle his people with costs which are unreasonable and unjust, and which would be very burdensome to them. Instead of talking about rushing into a scheme of that sort, he had better talk about caution, which is going to protect those people who are paying plenty today for rent and food and clothing, automobiles and everything else.

MR. MacDONALD: They want protection for hospitals.

HON. MR. FROST: These people have got it right now.

MR. T. D. THOMAS (Oshawa): The hon. Prime Minister mentioned Saskatchewan. A small population and an increasing cost over 10 years. That little province with a small population introduced a hospital plan without any assistance from the federal government.

MR. LAVERGNE: But they are all moving into Ontario.

MR. THOMAS (Oshawa): Perhaps I can give a fairly accurate picture of that. I belong to the Blue Cross as an employee of General Motors. It costs my wife and me, including contributions from the company, \$63 a year. I am quite sure we could get a hospital—

HON. MR. FROST: How much is the hon. member's contribution from the company? Is it 50 per cent?

MR. THOMAS (Oshawa): Yes.

HON. MR. FROST: I would like to ask—

MR. THOMAS (Oshawa): I wish the hon. Prime Minister would let me develop my argument.

HON. MR. FROST: I would like to ask the hon. member if he received one-third from the federal government and lost the other contribution, where would he be?

MR. THOMAS (Oshawa): Why need I lose it? I agree it is better than we could expect under the provincial grant, but one pleasing feature of a provincial plan would be that there would be no limit to the number of days in hospital.

The hon. Prime Minister agrees that is one pleasing feature about the provincial plan, that there would be an unlimited stay for a person in hospital. The hon. Prime Minister has given an estimate of \$190 million for a minimum of care, say standard care. I go back now to Saskatchewan again, to give the figures there. Their \$190 million would be on a per capita basis for the province of Ontario of \$39.60. In Saskatchewan, the per capita charge there is \$32 for complete coverage—mental health, tuberculosis and so on. If we take the per capita charge of Saskatchewan, it would amount to \$173 million.

I know there are some variations but the hon. Prime Minister's estimate is out \$17 million on that item alone. Therefore, I believe the figures which have been given have been deliberately overestimated in order to discourage the people of Ontario in believing that hospital plan is necessary for them.

HON. MR. FROST: That is a completely unfair statement.

MR. THOMAS (Oshawa): I do not think so.

HON. MR. FROST: Yes, it is. The hon. member is on the Committee on Health and he will be there tomorrow. Dr. Malcolm Taylor will be there and the hon. member should have confidence in him, if he has not confidence in us. Dr. Taylor will tell the hon. member that it is not an overestimate, that they are actual realistic estimates.

MR. THOMAS (Oshawa): Did he not say the administration costs are high?

HON. MR. FROST: Yes.

MR. THOMAS (Oshawa): If they are high in administration, could they not be high also in some other way?

HON. MR. FROST: I will be there tomorrow and I will ask Dr. Taylor in the presence of the committee and of the hon. member whether those figures are realistic or not. Will the hon. member be satisfied then?

MR. THOMAS (Oshawa): Well, I will listen to it.

MR. MacDONALD: Would the hon. Prime Minister concede that the administration cost is high?

MR. THOMAS (Oshawa): The hon. Prime Minister has been wrong on one point. Might he not be wrong on more than one?

HON. MR. FROST: The hon. member does not wish to be fair about this. He wants to pull the wool over people's eyes.

MR. MacDONALD: The hon. Prime Minister has been doing that for 12 years.

HON. MR. FROST: I will show the hon. member now where he is unfair. He took the plan at Oshawa, which provides for medical care.

MR. THOMAS (Oshawa): Mr. Speaker, on a point of order, the hon. Prime Minister is hopelessly wrong on that. It is only for Blue Cross. He is entirely wrong.

HON. MR. FROST: Try to be fair.

MR. SPEAKER: Order. The hon. member for Oshawa has the floor.

HON. MR. FROST: May I say, I do not ask the hon. member to be fair, because he does not know how.

MR. MacDONALD: The hon. Prime Minister must be sitting on a tractor as he is "bobbing" up and down so much.

MR. THOMAS (Oshawa): It is just like the hon. Prime Minister to say what he has just said. We remember the remark he made to the hon. member for Essex North (Mr. Reaume) last year, a very mean remark.

HON. MR. FROST: I intended the observation I have just made to apply to the hon. member for Oshawa now.

MR. THOMAS (Oshawa): Now we have an understanding.

MR. MacDONALD: Why is the hon. Prime Minister so touchy?

MR. THOMAS (Oshawa): The hon. Prime Minister asked me to be fair. He is most unfair himself in making the statement he did. When I referred to Blue Cross—

MR. MacDONALD: His conscience bothers him.

MR. THOMAS (Oshawa):—I gave the figure of \$63, which was 50 per cent., paid by myself—

HON. MR. FROST: What was the coverage?

MR. THOMAS (Oshawa): Mr. Speaker, let us have a little order. The hon. Prime Minister has been asking everyone to be fair. Let him be fair himself. The total contribution is \$63 and it does not cover medical care at all. That is independent. We pay separately for it.

MR. MacDONALD: Deny it. It is only his policy.

MR. THOMAS (Oshawa): I am speaking about the Blue Cross. The hon. Prime Minister is now bringing the PSI into it.

MR. YAREMKO: Mr. Speaker, would the hon. member permit a question?

MR. THOMAS (Oshawa): Yes.

MR. YAREMKO: I believe the hon. member was present at a meeting of

the Committee on Health when Table II, page 47, was being discussed. That is the estimated costs of the active treatment hospital benefit. The question was asked there whether the figure of 155 per thousand was not too high. My question to the hon. member is this: was not the reply given—I do not know whether or not it was by Dr. Taylor—that 155 was a realistic figure and was not the highest figure, that they could have put in there, because in Saskatchewan that figure was about 200.

MR. MacDONALD: They give them coverage. They do not put them out of hospital.

MR. THOMAS (Oshawa): It is also true that Dr. Taylor said the administration costs were high.

HON. MR. FROST: Mr. Speaker, may I say to the hon. member—

MR. THOMAS (Oshawa): Mr. Speaker, the hon. Prime Minister says that I am not fair. I have got the floor. One other item and then I will be through. The hon. Prime Minister in his figures in the *Blue Book* has for mental health \$23 million, for tuberculosis \$6.2 million.

HON. MR. FROST: I thought it was over \$7 million.

MR. THOMAS (Oshawa): \$6.2 million appears in the book. For public hospitals and maintenance grants, \$10.8 million, a total of \$40 million. That is in the *Blue Book*.

Mr. Speaker, in the Estimates which will be presented by the hon. Minister tomorrow, we find these interesting figures: for mental health \$25,717,000, public and private hospitals \$15,913,800, tuberculosis prevention \$7,007,700, a total of \$48,638,500. The Prime Minister is out over \$8 million on that item alone.

HON. MR. FROST: The hon. member is counting two different things.

HON. M. PHILLIPS (Minister of Health): Let me just say this; the right

figures are as follows: for the public and private hospitals, \$16 million. I am giving round figures. For tuberculosis sanatoria and prevention programme, \$9 million; mental hospitals \$22 million.

MR. MacDONALD: That is \$47 million.

MR. THOMAS (Oshawa): The hon. Prime Minister says \$40 million in the *Blue Book*.

HON. MR. FROST: Part of that does not go into hospitals. It does not take any particular brains to see part of that does not go into hospitals.

MR. MacDONALD: Why does it not?

HON. MR. FROST: Does the hon. member think all the Estimates in regard to The Department of Public Health go to hospitals?

MR. MacDONALD: These are the specific figures in regard to tuberculosis and mental health grants.

HON. MR. PHILLIPS: That is just what I said, our tuberculosis figures include what goes towards our sanatoriums and our prevention control programme, amounting to approximately \$9 or \$9.5 million.

HON. MR. FROST: Part of that is for X-raying people all over the province and various other preventive measures.

MR. THOMAS (Oshawa): Here are the items in the Estimates:

Tuberculosis prevention, \$7 million.

HON. MR. FROST: But we are talking about hospital care, not prevention.

MR. THOMAS (Oshawa): Please be fair. In the *Blue Book* the figure is \$40 million.

HON. MR. FROST: That is right.

MR. THOMAS (Oshawa): And in that item for \$40 million is \$6.2 million

for tuberculosis. In the Estimates for tuberculosis it is over \$7 million, so the hon. Prime Minister is out on that now.

Now, Mr. Speaker, I do not think this government has any intention at all of introducing a hospital plan.

HON. MR. FROST: The hon. member is a very wise fellow, so mark that down.

MR. MacDONALD: Not until the next election, that is 3 years more wasted. Is there anything in the Estimates for "frayed tempers"?

HON. MR. DUNBAR: The hon. member will not be back so he does not need to worry.

MR. THOMAS (Oshawa): The proposals have been discussed by the Committee on Health and one surprising thing about this, Mr. Speaker, is that the Committee on Health has no authority to make recommendations. They are there just to listen to the experts and have a discussion.

HON. MR. FROST: It would be a good thing if the hon. member did a little more listening and less talking.

MR. THOMAS (Oshawa): I might remind the hon. Prime Minister, Mr. Speaker, that it is very dangerous for men over 50 — and I am in that category myself — to get angry or excited. It is not good for us.

HON. MR. FROST: I could not get angry at the hon. member, he makes me laugh too much.

MR. WHICHER: The hon. Prime Minister is full of comedy.

MR. MacDONALD: He is full of comedy but no hospital plan.

MR. THOMAS (Oshawa): I would like to ask the hon. Prime Minister when the committee adjourns tomorrow, where do we go from there?

HON. MR. FROST: The hon. member knows everything. He might answer the question.

MR. MacDONALD: That is facetious.

MR. SPEAKER: Order.

MR. THOMAS (Oshawa): I heard a friend of mine say, Mr. Speaker, that the hospital plan of this government will be one of the issues in the next provincial election.

MR. WHICHER: It costs too much.

MR. THOMAS (Oshawa): I would like to ask the hon. Prime Minister to comment on that.

HON. MR. FROST: The Party to which the hon. member belongs made an issue of it in the last two elections.

MR. MacDONALD: The hon. Prime Minister made it an issue in 1943, and they have not done anything until now. This was in the 22-point programme.

MR. SPEAKER: Order.

MR. MacDONALD: The hon. Prime Minister gets very, very angry.

MR. THOMAS (Oshawa): Very, very angry.

Hon. Mr. Frost moves second reading of Bill No. 112, "An Act to establish the Hospital Services Commission of Ontario."

Motion agreed to, second reading of the Bill.

THE MARRIAGE ACT

Hon. G. H. Dunbar moves second reading of Bill No. 76, "An Act to amend The Marriage Act."

MR. H. C. NIXON (Brant): When the hon. Minister was discussing his Estimates he rather challenged me to say what I thought of this Marriage Act, and I told him at the time I thought any comment might be more suitable when the Bill was before the House.

I would like at this time, Mr. Speaker, with your permission to make some comment on this Bill. The hon. mem-

bers will see that the effect of this Bill applies to all the Indians of the province of Ontario. When an Indian man and an Indian maid propose getting married, if they are prepared to take an oath and make affidavits that they are Indians, then they can get their marriage licence free.

I suggest to you, Mr. Speaker, that if I were to move an amendment to this Bill in committee stage and substitute the word "Scottish" for "Indian", the hon. member here would probably invite me outside to give satisfaction for reflection on that great race. Were I to suggest "Irish" instead of "Indian", the hon. member here might invite me outside to give him satisfaction for reflection on that great race.

I can assure you, Mr. Speaker, that the good Indian people of the province of Ontario are just as proud a people as any of the rest of us. I do suggest that this Bill is a reflection on them.

Certainly I had the privilege 3 years ago with others of the 24th Legislature of visiting Indian bands from one end of the province to the other. In no case did any Indian ask to be treated in any other way than like the rest of the people of this province. The entire report of that committee and the evidence presented to it by the Indians of the province was to the effect that they wanted the differences which divided the people — insofar as it lay with the province of Ontario to do so — to be eliminated and that we would all be one people together.

Mr. Speaker, I suggest to you that if I were to say here tonight that you had one rule for government members and a different rule for Opposition members, I would be on my way out of the door very quickly, if I did not retract it, and very properly so, because that would strike at the very fundamental principles of an independent Legislature. I do submit it is just as bad in principle that we should set up one law for the Indians and a different law for the non-Indians.

The very thing which has brought about a sort of segregation in reverse in this Canada of ours, with respect to the

Indian people, is that for generations we have had an Indian Act on the Statute books of Canada, and the sooner we can eliminate the differences which divide the peoples, then I say the quicker will the Indians be integrated into the national economy of Canada and into the provincial economy of this province.

This matter rather originated with that very fine band of Indians, the Six Nations on the Grand River, mostly in my riding, a small part of which is in the riding of the hon. Minister of Highways (Mr. Allan). There are some 6,500 in that band. All but 700 are Christian Indians. The others are known locally as "Longhouse Indians".

Nothing is further from my thought, Mr. Speaker, than to reflect in any way whatever upon those people who remain with their ancient religion, which has evidently satisfied their needs through many, many centuries. However, their customs have been such that their marriages have not been recognized in the past under the laws of the province of Ontario. There are 4 congregations, as you might say, of the Longhouse Indians; one of these congregations visited the hon. Provincial Secretary (Mr. Dunbar) and requested that they have their marriages regularized under the laws of the province of Ontario so they could have their marriage certificates in order. The hon. Provincial Secretary, very wisely I thought, made the necessary provisions and I found this news item in our local paper two weeks ago.

NAME INDIAN TO PERFORM CEREMONIES

Patrick Longboat, Ohsweken, has become the first Six Nations Indian follower of the Longhouse religion to be registered as a person authorized to solemnize marriage in Ontario.

The *Ontario Gazette* lists his name among clergymen of various denominations throughout the province.

As Longhouse marriages were not registered because the Longhouse people did not have persons registered with the department, Mr. Dunbar

suggested that 3 persons be appointed for certification.

Thus far, the Lower Cayuga Longhouse is the only one of 4 on the Six Nations Reservation to appoint a person for certification.

Now, I think that is all to the good, and I hope the other 3 congregations have their leader so certified, so that their marriage ceremonies will be regularized under the laws of the province.

HON. MR. FROST: I gather from what the hon. member for Brant has said—and I have had some conversations with him about this—that the band or bands at Brantford are satisfied with the arrangements made for marriages according to their Indian customs?

MR. NIXON: Yes.

HON. MR. FROST: And I gather that this Bill provides for eliminating this if they desire it. They can make application under this Act, and obtain a marriage licence without the \$5 fee, and I take it, as far as Brantford is concerned, there is no desire for any such thing, that the people do not ask for that.

I think that is the point at issue in this. The hon. member, of course, realizes that there are many Indian settlements in Ontario and they are living under many and varying conditions. I believe there are about 37,000 Indians in Ontario, and they are living in bands, all the way from the fine band at Brantford, and a similar band down near Belleville, of the same tribes, the Six Nations, to rather primitive conditions in the far north country.

The problem with this Bill is to obtain as good conditions in other bands as there are in the Brantford band. I think that is the situation. In the north country, there are entirely different conditions, and I think the department felt, by the elimination of the fee, they could make things somewhat more regular for the 37,000 Indians scattered over the province, in their many bands.

If this is the case, would the hon. member object to the Bill? As a matter

of fact, it is relieving all the Indians from the payment of that charge, provided they certify that they are Indians under the Act. This is done to try and obtain a better registration of Indian marriages across the province. Would the hon. member have any objection to that relief from the payment of the fee, if it had that effect?

MR. NIXON: Well, may I say that anybody, Indian or non-Indian, who does not pay a marriage licence fee can have the banns read once in his meeting house, and that eliminates the necessity for a fee altogether.

Mr. Speaker, about 4 weeks ago, a delegation visited me at home on a very inclement Saturday afternoon, and left with me a somewhat lengthy brief on this matter which I will not read to the House at this hour of the night. But, should any hon. member be interested in it—I have already shown it to the hon. Prime Minister and the hon. Provincial Secretary—I would be very happy to table it. However, may I read a short excerpt from it:

The Christian Indians have, for the past two generations, been happy to comply with the provincial marriage laws as part of their Christian lives, and are, therefore, asking no such consideration in this respect.

The thing I object to, particularly, Mr. Speaker, following the brief these people left with me, is that we have gone so far in this province in the last Legislature, under the able assistance of the hon. Prime Minister, and the select committee which has visited Indians from one end of Ontario to the other, that I regret to see a measure brought in which again divides these people on this vitally important question of marriage.

I spoke here the other day on the question of education, and if the hon. Minister of Education (Mr. Dunlop) can bring into effect the integration of our Indian schools throughout the province of Ontario, with the schools under The Department of Education, that will be a tremendous step forward, and within another generation, the Indian problem

of segregation, in reverse if you will, will have disappeared.

Therefore, I regret to see a new measure brought in of one law for the Indian, and a different law for the non-Indian, particularly on this point which strikes at the very fundamentals of our democracy, that of marriage. We have the separation in education, as I have said, which now it appears there is rapid progress being made towards eliminating. The brief continues:

It is the feeling of the Christian Indians that in a democratic country like ours, they should at least have been asked if they wished to be associated with the provision as outlined in this new Marriage Act, especially since it was framed for the Longhouse people.

If this Bill is granted as a right, it puts a different light on the whole question, and possibly the Indian population of the province should enjoy some of the things they really have been asking for, such as freedom to hunt and fish wherever they choose, and without any licence fee, and possibly this could be extended to free motor licences and driving permits, free liquor permits, etc.

I repeat, Mr. Speaker, that although we appeared before Indian bands, I think in some 24 different parts of the province, not in one instance was such a request ever made to the committee. But there were many requests made that Indians should be allowed to hunt and trap without buying a licence, any place they saw fit.

Then there is this additional quotation:

Our Indian people enjoy and appreciate the privileges of sharing in a number of social benefits as provided by the federal and provincial governments. It gives them a sense of security and helps to establish a true spirit of confidence in the governments, for the simple reason that they are being treated as all other Canadians who qualify for such assistance—a very desirable spirit to develop in our people this day and age. The

big question is: "will this provision tend to destroy that spirit of independence the governments are trying to establish in our people to fit them to take their proper places in Canadian life?"

So, Mr. Speaker, if it is felt by the government that it is wise to put this measure through, although, as I point out, the Christian Indians with whom I am acquainted, and those with whom I came in contact throughout the length and breadth of this province 3 years ago, certainly made no request for any such measure.

I feel it is a mistake now, when such great progress has been made by this and previous legislators, to present now, for the first time in the history of this province, a measure which divides the Indian people from the white people, as regards their marriage laws.

HON. G. H. DUNBAR (Provincial Secretary): Mr. Speaker, I was quite interested in what the hon. member for Brant said, especially regarding the select committee travelling over the country, and talking to the Indians. But at that time, when this committee was travelling and visiting on these reserves, it was not necessary for them to register with the vital statistics branch. In 1955, there was an Act proclaimed which brought in mothers' allowances for Indian women, who were left alone with children, and it provided in the Act they had to be registered with the vital statistics.

When you contact the Longhouse people—I have been in touch with them, and there have been several deputations in my office—they realize this was brought up without any thought of creating any division. For a great many years, they have been married by a certificate given by Ottawa, and have registered at the Longhouse, and they have said to me, "Why should we have to pay \$5, when we can be married for nothing? The next thing is, you will be charging us income tax."

That is the other side of the picture. They do not want to pay the \$5, because

they have been getting their certificates free from Ottawa, and have been married, and registered in the Longhouse.

I have looked over the vital statistics, and discovered there were very few Indians who had been registered there, as being married, or married by the publications of banns. There is no provision which says they cannot pay for it, if they wish to do so. But I do not think it is fair to the people who had been for all this time—the original people of this country—married free. All that was required was that they be registered to be entitled to mothers' allowances, and they felt they were being asked to pay a premium of \$5 in advance, in connection with marriage.

There are several ways of looking at this, and I do not think any Indian in this province would be offended if it was explained to him, as I am explaining it to the House now.

My Deputy was speaking to Manitoba this morning, and was advised they would like very much to see this a success, and expressed their willingness to follow suit, because they say that 90 per cent. of the Indians are not registered at all.

What we are endeavouring to do is to have all Indians registered in the vital statistics, so that 10 or 15 or 20 or 30 years from now, the Indian children will be faced with no difficulty regarding mothers' allowances, the obtaining of birth certificates, and anything of that nature. It is my opinion that would be treating them the same as the whites.

A few years ago there was provision for registering newly-born Indian children, and a fee of \$2 was charged to have them registered. They simply would not register. So we charged them nothing, which created a difference between the Indians and the white people.

We think it would be a good idea to have these Indian boys and girls registered in the department of vital statistics, and be treated the same as the white children, and the white men and women.

There is nothing underhanded about this; there is nothing wrong about it. We felt we could not say to these Indians, "You have been receiving free marriage certificates, but from now on, you will need to be registered with vital statistics, and pay \$5."

There is one man, whom I know very well, and with whom I served in the 4th Battalion overseas, who said to me, "If I pay \$5, and if my sons pay it, it is the same to me as paying a premium on an insurance policy in advance." He also said the Indians should be treated the same as they have been in the past, and should be married free. He would be willing then to register them with vital statistics.

If we spoke to these Indians face to face, what would they think, if I should say to them: "We are not interested whether you register or not; you will be married by us." What would they think?

But we are interested. We want every Indian registered in the department of vital statistics, and that is why we said to the Indians on the reserve: "You will not have to pay the \$5; you will be treated as you have been in the past. If the Christian Indians wish to have the banns published in any church, that is perfectly all right, but they can be married free now. There is no difference."

MR. WHICHER: How are they registered?

HON. MR. DUNBAR: When the banns are published in a church.

MR. WHICHER: They are registered then?

HON. MR. DUNBAR: Yes.

MR. WHICHER: Would they not be registered if they paid the \$5?

HON. MR. DUNBAR: Yes, but now with the certificate from the federal government, they can be married for nothing.

There is one thing I want to mention about the Longhouse. Do not forget the Longhouse people have said in my office that they are in favour of it. One of the

Longhouse people sent a name in to be registered for solemnizing marriages, so I think it can be seen by the hon. member that we are not taking anything away from them.

You have to deal fairly with the Indians. If I said I was going to charge them \$5, when they can get the same thing free of charge, I could not get them to register. We want them all to register in the department.

HON. L. M. FROST (Prime Minister): Perhaps I could make this matter clear in the hon. member's mind, by making this explanation. The hon. member for Brant mentioned the Christian Indians, and the hon. Provincial Secretary talks about the Longhouse. The Longhouse Indians are not Christian Indians. My recollection is that in Brantford, about 10 per cent. — some 600 or 700 — of the Brantford Indians still have their own religion. They follow their own tribal religion and they are very proud of it. When they refer to the "Longhouse", they refer to their church, according to the religion which they brought to this province when they came here 175 years ago.

That is true also of some of the other Indian tribes in this province — the Cree Indians of the north, for instance — who in many places have their own religion, the religion of their tribes, which dates back for centuries, I suppose.

I do not know what the percentage of the Indians in Ontario is, between what the hon. member for Brant calls "Christian Indians" who would be either of Roman Catholic or Protestant faiths, and their own tribal religions. However, if it followed the percentage for Brantford, it would mean that there would be, roughly, 4,000 Indians in Ontario who follow their own religion.

I would imagine the proportion is greater than that, because in the north country, it is very probable that the Indians there, in larger percentages, follow the old original religion of their various tribes, whether it be the Crees, or the Chippewas, or from whatever tribe they come.

The hon. member for Brant gave me a copy of the very interesting brief from which he read. I read it and was very interested in it. I inquired of the Provincial Secretary about it. The Christian Indians, as the hon. member for Brant has said, have made no request for this legislation at all. These people obtain their licences or banns which are published in the church and they are married according to Christian rites.

I want to point out to the hon. member for Brant that this Bill is not mandatory: it is permissive. If they do not want to apply for it, it is not necessary for them to do so. That would apply, I gather, to nine-tenths of the population on the Brantford reservation, and there would probably be the same situation with the reservation at Belleville, where there is also a branch of the Six Nations, the Iroquois tribes.

The problem is that the other Indians have been married according to their own rites for generations. Now it is desired to bring them under The Marriage Act, in order that matters such as mothers' allowances, can be dealt with in the ordinary course. This is a device which has been brought about after many interviews with both the Ottawa authorities and the Indian representatives themselves. If it works, of course, it means that these Indians, who might be termed the "non-Christian Indians" would get their licences and they would not pay anything for them. It is an inducement to get them to register, so they may be eligible under the various Welfare Acts, and other legislation we have in this country. That is the situation, and I wonder if the hon. member will be satisfied with it.

MR. H. C. NIXON (Brant): Mr. Speaker, if the government wishes to put this Bill through, I am not going to divide the House. However, I have my own personal views in the matter, which are very sincere. I also felt that I should place before the House the views of the overwhelming majority of the people of this particular band in my riding. I am quite content, Mr. Speaker, under the circumstances.

HON. MR. DUNBAR: Mr. Speaker, we were speaking with the Ottawa authorities today, and they feel this would be a step in the right direction, to bring them all together.

Motion agreed to; second reading of the Bill.

THE ONTARIO PARKS INTEGRATION BOARD

Hon. C. Daley moves second reading of Bill No. 113, "An Act to establish the Ontario Parks Integration Board."

MR. R. WHICHER (Bruce): Mr. Speaker, I would like to ask a couple of questions about this. In regard to section 8, is it the idea that any moneys which are accumulated by the Ontario St. Lawrence and the Niagara Parks Commissions as well as the Ontario St. Lawrence Development Commission, would accrue to the Crown?

HON. MR. FROST: Mr. Speaker, perhaps I could explain the point. The history of this Bill goes back, probably 75 years. The Niagara Parks Commission was formed then, and was allotted certain revenues arising from water rentals. That commission has operated very, very successfully in Ontario. The chairman of the commission is the hon. Minister of Labour (Mr. Daley), and with him is a very efficient board.

The revenues accruing to that commission for water rentals, are something of the order of \$600,000 a year. The commission itself has secured other revenues from concessions, and things of that sort, giving the commission a healthy revenue. That revenue has never been interfered with, and it is not our intention to interfere with it at all. As a matter of fact, the Niagara Parks Commission, in the last 12 years, by good administration, has paid off nearly \$3 million of the debt which was incurred by the expropriation of the old scenic railway. Hon. members opposite will recollect that occurred about 1940, or 1941. I think that debt will be pretty well liquidated this year.

MR. NIXON: That was on a judgment of the Privy Council.

HON. MR. FROST: That is right. It was by a judgment of the Privy Council, the scenic railway was expropriated. The board fixed a certain sum and that went through various appeals and finally the Privy Council allowed a "top dollar", which turned out to be about \$3 million. In fact, the Niagara Parks Commission is operating with a considerable surplus, which they are investing in the extension of the parks system, and they are doing an excellent job.

We are starting the St. Lawrence Development. There will be water rentals arising from the St. Lawrence, probably to the extent of \$1.5 million. I am speaking only in round figures. There will be other revenues arising at Niagara in the course of time. They are arising now because of re-developments there. There will be a very large surplus of revenues, and water rentals.

We will also have other water rentals arising in the province, in northwestern Ontario, for instance, in the area from whence comes the hon. member for Rainy River (Mr. Noden) and others. Therefore, we have large sums arising from these water rentals which are not yet reflected in the consolidated revenue funds of the province.

We have the Niagara Parks situation, which is operating with a surplus, and there is no intention of interfering in any way with their revenues at all. There will be a big park system on the St. Lawrence, which will extend from the Quebec boundary to the vicinity of Kingston.

Then, under The Department of Lands and Forests, we have a series of parks, large and small across Ontario, starting at Presqu'île in the Northumberland area, following the shore of the Great Lakes, and on to Superior Park, Algonquin Park, Quetico Park and others.

The point is we have not wanted to operate these parks with varying policies, one park following one policy and another park following another, and The

Department of Lands and Forests perhaps following another policy. We thought it was better to integrate these systems — I should not say "integrate the systems," but provide for an integration of policy — and we would appoint the chairman of the Niagara Parks Commission, the chairman of the St. Lawrence Parks Commission, and the hon. Minister of Lands and Forests, the hon. Minister of Public Works, and the hon. Provincial Treasurer, to form an integrating board. We would then have a common policy, which could be pursued.

The provision of section 8, to which the hon. member refers regarding water rental, was to extend to this integrated board the same policy which was followed by the Mowat government of 75 years ago, in giving the board revenues which would be independent of the consolidated revenue fund, and which would accrue to this board, and assure them always of a basic revenue upon which to operate.

To be frank with you, Mr. Speaker, the motivating idea came from the great success of the Niagara Parks Commission. I think it is true if these revenues of some \$600,000 — it would amount to that now — had not been made available to the Niagara Parks system years ago, they probably, in the pressure of things, would have been devoted to something else, and we would not have the Niagara Parks.

It is the same situation we are trying to create here, to take the water rentals, which have not come into our consolidated revenue fund as yet, and segregate them for the purposes of park development. It was the idea to generally follow the Niagara situation, and to provide in addition for an integrating board which will establish common policies for all these great parks.

Our idea is to develop the parks system from border to border. I might mention, to the hon. member for Rainy River, the great Quetico Park. That is a great area lying adjacent to our southern boundary in the northwestern part of the province, a very magnificent area which, to date — or at least until the

building of the Atikokan road — was in the main available only to American tourists who came in from places on the other side of the line, from Wisconsin.

With the building of the road from the Lakehead to Atikokan, and with the extension of that road from Atikokan to Fort Frances, we will have two of the largest points of entry at Rainy River and Fort Frances, which I think, will be the most important points of entry into Canada for the tourist trade.

It is connected with the port of entry at Grand Portage on highway No. 60—I should never forget that number because I was importuned enough by deputations to complete that road, I think it is No. 60 — but in any event it provides ports of entry at both ends of that area, and will invite traffic to come in there.

I should say that with the development of Quetico Park and its facilities, we should have there a very great area, and one which will attract tens of thousands of visitors to this province.

That is the purpose of this Act, to make the parks board at least basically independent, so it will have revenues upon which it can develop these systems on a long-term basis.

MR. R. WHICHER (Bruce): Mr. Speaker, I agree very much with what the hon. Prime Minister has said, but in section 8, in spite of the fact he said there would be no intention to take any of this money—

HON. MR. FROST: From Niagara, that is right.

MR. WHICHER: It does say there:

Notwithstanding any other Act, that the money so allocated shall be paid over to the board.

HON. MR. FROST: That is right.

MR. WHICHER: If such is the case, if Niagara is now an established park — and I understand it certainly makes money — and if this money will be diverted from Niagara to the board

for the good of all the parks of Ontario, I do think if such is the case—

HON. MR. FROST: May I point out, I have stated to the hon. Minister here, and to the people of Niagara Falls, it is not our intention to divert moneys from the Niagara parks system, as such, for this reason. The Niagara parks system is a great attraction extending from Niagara-on-the-Lake to Chippawa. As a matter of fact there is a possibility of extending it further to the west. There has been talk of that extension.

The surplus revenues they receive there can be used for development extensions of that very attractive system, and while they are operating now for the first time in many years in a surplus position, having regard to the fact that their debt is paid off, it is our intention they should continue to expand. These revenue of which I am speaking, are revenues which would accrue to the consolidated revenue fund, if it were not for this. I think it is well to segregate these revenues to park development, because it will assure them of a basic income.

With the St. Lawrence parks, they are probably going to be required to finance everything from that fund, and perhaps more, for some years to come. That is to say, we are faced with a capital outlay on the St. Lawrence alone, of some \$1 million or \$1.5 million, and there are no revenues. Of course, there will not be revenues from that for several years, probably not until 1958 or 1959. But, in any event, it will mean that the integrating board will have at its disposal, when the water rentals start coming in, a very substantial sum which they can allot to the various parks projects across this province.

MR. WHICHER: I am very pleased to hear the hon. Prime Minister say that nothing will be diverted from Niagara. Under the Act it can be done, there is no question about that. But if it is diverted from Niagara in any future year, I do feel the businesses which are operated by the Niagara Parks Board, should definitely have to pay business

tax, the same as other businesses in Niagara Falls. Under the present setup, there is no tax on the buildings whatsoever, and there is no business tax. I do not think the business men of Niagara Falls have any special complaint about this, but they do feel in the event any money is taken from the Niagara Parks Commission, it should pay business tax to the city, and in such a thought I certainly concur.

MR. P. MANLEY (Stormont): Mr. Speaker, I am very much interested to hear that all the people in the St. Lawrence area are to be in the parks system there. The hon. Prime Minister has mentioned about "ports of entry." We have a port of entry from the United States at the power development at Cornwall, and of course we have a port of entry from Quebec along the southern boundary of the province. It is very important that we have a park there comparable to the Niagara Parks system.

I would like to point out to the hon. Prime Minister now, if I may, Mr. Speaker, that I think it is very essential he should appoint a member to the St. Lawrence Parks Board from the city of Cornwall. With the annexation, we have a population in the city of nearly 40,000 and the park is very essential to the people in that area. I do think a city of that size is entitled to a representative on the St. Lawrence Parks Board.

I am very happy to have heard the hon. Prime Minister say a moment ago that they are going to spend something over \$1 million in the very near future. That is very essential to the people in that part of the province. It is a part of the province which did not have park facilities up until now, and all the people in that area will be happy to be included at this time. I would reiterate that the city of Cornwall should be entitled to a member on the St. Lawrence Parks Board.

HON. G. H. DUNBAR (Provincial Secretary): Mr. Speaker, every hon. member who speaks reminds one of something which has been forgotten. I

was reminded that I neglected to ask for a representative from Ottawa, the capital of Canada. Just imagine the number of people, especially on weekends, along the St. Lawrence; should they not be represented on the parks commission by at least one member from the capital city of Canada?

MR. D. MACDONALD (York South): Mr. Speaker, after listening to the hon. Prime Minister, there is one point which is not clear in my mind. As I understand the hon. Prime Minister, he is integrating these various parks through this board, and I get the impression that one of the reasons for the integration was to be able to have enough money for the development of the parks, wherever that money may have originated. He emphasized the money would not be drained off from the Niagara parks system, which seems to be a denial of the integration policy. Would the hon. Prime Minister resolve that?

HON. MR. FROST: Yes. The Niagara parks system is an old system, going back, as I say, some 75 years. It has its revenues, and it has built up, in that part of the province, its own aspirations and independence, and I think it would regard it with a good deal of misgivings if the independence of that commission, which has grown up over all these years, was in any way jeopardized. That is not the intention. I recognize from what one of the hon. members opposite said, that the Niagara Parks Commission is conducting certain businesses. There is the Table Rock, and I think they operate a golf course. It has a big restaurant at the Refectory, and other things, and they have not been paying business tax.

The Niagara Parks Commission, with the payment of all its debt, is getting into very much better shape, and I am going to discuss with the Niagara Parks Commission the matter of these businesses which have been established for almost 50 years, that they pay something to the municipalities, in the line of either business assessment, or in lieu of business assessment. There is a very

excellent case for pooling all these revenues.

On the other hand, you must remember there is this intangible thing. The Niagara Parks Commission was founded by Sir Kasimir Gzowski, I do not know how many years ago, but, at least 75 years, and he was the one who was really responsible for the independence of the commission, which I think has to be recognized.

If we were to pool it with the others, and destroy its independence, I think the people of that part of Ontario would feel very much affronted. They would feel there was something lost to them, and for that reason, I do not want to interfere with the independence of the Niagara Parks Commission. I would prefer to allow the revenues to accrue to that commission, as they have traditionally over so many years.

MR. MacDONALD: Mr. Speaker, I am not going to dispute the feeling of independence which may exist there, but it seems to me your logic founders, if you are setting up a commission which is going to integrate them all. The Niagara Parks Commission is a well-established one. It has paid off all its debts and it seems to be in the position where its revenues could assist with the development of the other parks. That is the purpose of the integration. Why integrate it, if you are not going to be able to use the established one to assist in the development of the others?

HON. MR. FROST: The revenues to which I am referring are other revenues which will arise. You will understand we have the revenues on the St. Lawrence, we have additional revenues which are going to arise at Niagara, because of the increased development, there are others, for instance, from water rentals arising in the province, which will shortly become available.

Those are other and additional revenues. In the matter of integration, there are perhaps more implications than I have mentioned. In the Niagara Parks system, they have Mr. Grey as

the manager, and I would say that Mr. Grey is perhaps one of the outstanding parks men in America, and with him is associated a very efficient staff.

We felt, on the question of integration, the St. Lawrence parks would have the benefit of the Niagara Parks Commission experience, by pooling it with the Niagara board. We felt that would also be true of lands and forests in these provincial parks, located across the province, in that they would have the benefit of the experience, which could be made available through the Niagara board. There are two points to it; first, experience, as I say, from the Niagara Parks Commission, and secondly, it would be maintaining the independence of the Niagara Parks Commission, both financially, and from the standpoint of administration, and then there would be the allocating of these additional revenues to the integrating board, which could be used for the development of other parks.

I think in the formative years we will have to put more money in than actually will be received from the water rentals, but the water rentals will provide a basic revenue, as they did with the very successful venture in connection with the Niagara parks.

MR. F. R. OLIVER (Leader of the Opposition): The position the hon. Prime Minister takes now is that the Niagara Parks Commission and the rentals presently accruing to it, are to remain as they are, and then he goes on to say that he looks for additional rentals because of increased development in that area.

Are we to understand these increased rentals will be subject to this integrating board, and will be a part of the revenue of that board?

HON. MR. FROST: That is right.

MR. OLIVER: And that all other rentals throughout the province, no matter where they may arise, whether on the St. Lawrence or on the Ottawa, or wherever it may be, will go into the

coffers of the integrating board, to be spent, not particularly in the location where they may arise, but anywhere throughout the province, in relation to parks?

HON. MR. FROST: That, in general, is right, except I would not say that would include all the water rentals, for this reason. For many years past there have been water rentals going into the revenues of The Department of Lands and Forests, and I do not want to interfere with those. Those are additional revenues which will be coming in from water rentals, and the hon. leader of the Opposition is quite right in saying that these rentals will be at the disposition of the integrating board, and will be part of its basic revenues. Again, I think quite obviously there will have to be votes from the consolidated revenue fund.

For instance, in the case of the St. Lawrence parks, there will not be any revenues from that source I suppose, for 2 or 3 years, and we are going to have to put in very large sums of money to get the park system going, something in the order of \$1 million or \$1.5 million this very year.

MR. OLIVER: The only thing not clear to me in the hon. Prime Minister's argument is this; how is he going to determine in respect to the Niagara developments, where the interest of the parks commission stops, and where the interests, financially speaking, of the integrating board, start.

HON. MR. FROST: All budgets will be reviewed by the integrating board. The plans of the St. Lawrence Parks Commission are very extensive, and they have to be fitted into the plans elsewhere, for instance, the plans of The Department of Lands and Forests, taking over the administration of Algonquin Park, Quetico Park, Rondeau and other places. The plans are quite extensive, and will be developed very extensively in the next few years.

Motion agreed to; second reading of the Bill.

PUBLIC HEALTH ACT

Hon. M. Phillips moves second reading of Bill No. 135, "An Act to amend The Public Health Act."

He said: Mr. Speaker, since this Bill was printed, we have prepared an amendment to one section, and hon. members will receive the revised edition tomorrow. That section appears at page 7, section 24, and the reason we amended that section was to preserve the right of any person to compensation or damages where such has occurred.

MR. OLIVER: Where did the hon. Minister say this amendment was?

HON. MR. PHILLIPS: Section 24, page 7, of the Bill.

HON. MR. ROBERTS: Subsection 24.

HON. MR. PHILLIPS: Section 6, subsection 24 on page 7 of the Bill. These amendments really deal with 4 items. They are called No. "2", "3", "4" and "5". No. 2 dissolves the injunction heretofore granted against the corporation of the city of Woodstock. No. 3 is in regard to Richmond Hill. No. 4 gives the right to damages and costs awarded in the actions referred to in subsections 2 and 3, and ensures that that right is preserved; and the right of any person to compensation or damages for land injuriously affected, and by nuisances, arising from the construction, maintenance or operation of any sewage project.

Then there is one new subsection, No. 5. The Department of Health is required to inquire into the construction and operation of the sewage projects referred to in subsections 2 and 3, in order that the terms and conditions previously imposed with respect to the treatment or disposal of sewage may be modified or altered if necessary. This subsection was changed for one reason only, to protect the rights of the individual.

MR. OLIVER: Mr. Speaker—

HON. MR. FROST: Mr. Speaker, perhaps I might explain to the hon. leader of the Opposition the problem which arises in connection with this matter.

MR. OLIVER: That would make my question unnecessary.

HON. MR. FROST: This Bill provides for a re-statement or a bringing of a law in connection with the establishment of sewage plants up to date. There are several conditions which apply. Two of these matters have been brought to the forefront by actions, first, against the city of Woodstock and secondly, against the town of Richmond Hill. These actions, in substance, I think could be brought against a large number of municipalities in Ontario, because the court has placed a rather new interpretation or view of the law in connection with these cases.

For instance, there may be a clear, spring-fed stream. With the development of a community in this province the character of the water of that stream may be changed, not by reason of the fact that it is polluted or is dangerous to health, but the water instead of being pure spring water, may become water which has been run through a filtration plant, and is absolutely pure. But, nevertheless, the character of the water is changed.

The principle of the Act is—and as a matter of fact, it is in The Public Health Act now, but this clarifies it and substitutes the right to compensation for damages or where land is injuriously affected, for the right of injunction. I think it will be clearly seen that with any province, such as this, growing as it is, it is impossible not to affect the conditions of people and of streams and watersheds, as compared to the way they were before. They must be affected. This Bill has the effect of permitting that, but imposing safeguards in connection with erection of plants, the engineering, and the requirements for the filing of plans, and all that sort of thing, and preserves the right of an individual to claim for compensation and damages as those things arise.

MR. OLIVER: That is before the municipal board?

HON. MR. FROST: Well, before the municipal board, but it reserves the right to apply to the courts, in the case of negligent operation, or negligence at law. It provides for the right of an individual to go to court in such a case, and, as a matter of fact, I believe that in a case of negligence it even preserves the right of injunction. But it takes away the right of injunction in cases of proper operation, an operation which is conducted according to the requirements of The Department of Health.

As regards those requirements the provisions for those requirements are very much strengthened now by reason of the creation of the new water resources board, which will have engineering assistance and engineering talent which will be second to none in the country.

So I think this Bill modernizes and straightens out a situation which undoubtedly has been at loose ends for a number of years, and dovetails in with the work of the new commission which has been created.

MR. OLIVER: There are only two points I want to raise in relation to this Bill. We can study it more when it is in committee stage. This lengthy amendment which has just been placed in our hands is not easily interpreted at the moment.

HON. MR. FROST: No, the lengthy amendment to which reference has been made has been worked out in conjunction with the solicitors for the person who had the claim against the town of Richmond Hill. It has been worked out carefully, to maintain and preserve her rights in the situation there.

MR. OLIVER: As the hon. Prime Minister has suggested, Mr. Speaker, much of this Bill became necessary, and was written because of the injunction granted to the property holder at Richmond Hill, and I suppose at Woodstock also.

HON. MR. FROST: That is right.

MR. OLIVER: This person in Richmond Hill appealed to the courts for an injunction to stop the municipality from dumping sewage into the stream which ran through the property, and the court upheld the plaintiff, and granted the injunction, and I believe it was appealed to the high court, and there also was unanimously sustained, and the injunction declared valid.

It does seem to me there is a point here which might well be argued by a person with legal training, but it is certainly circumventing the courts to a degree, at least.

HON. MR. FROST: That is right.

MR. OLIVER: There is no question about that, it is removing the right of appealing to the court from a great many people for a great many things which presently they can take to the courts to have adjusted, and clarified.

HON. MR. FROST: No, it does not interfere with their right to apply to the court in the matter of negligence.

MR. OLIVER: No, I know that.

HON. MR. FROST: Nor does it affect their right in such a case to claim damages.

MR. OLIVER: The damages would not be settled by the court.

HON. MR. FROST: Yes, that would be in case of negligence. But may I point out to the hon. leader of the Opposition that in the Stevens case at Richmond Hill, my understanding is that an injunction was granted on different grounds. In the action before the court, it did not find damages, but it granted an injunction because the character of the stream was changed. It interfered with the riparian rights of the owners of that stream, and the plaintiff in that case claimed the character of the stream had been changed, which was true.

In regard to this Bill; one of the reasons for this amendment is that it preserves the right of that plaintiff to

claim damages for injurious affectation of her property. It was felt that the disposal of the case, and the granting of the injunction might have precluded her from claiming damages, and it was felt that probably she may have pressed her case for an injunction, and allowed the matter of damages to go by the board. This gives her the right to go back to the commencement, and claim damages and compensation for injurious affectation of her property, and that was done in consultation with her solicitor.

MR. OLIVER: The other point revolves around the statement by the hon. Prime Minister in which he intimates it gives The Department of Health a power it did not originally possess, allowing the municipalities to dump sewage into any stream in the province of Ontario, subject to the restrictions and permit granted by The Department of Health. I think I am right, because I quite clearly understood—

HON. MR. FROST: It does not say “dump.” It says “if the plans are approved by The Department of Health.”

MR. OLIVER: I said that.

HON. MR. FROST: That does not mean that a municipality could “dump” sewage into it.

MR. OLIVER: Subsection 1 does not apply to the discharge of sewage into any of the lakes, rivers, streams or other water, or water courses of Ontario, from any sewage project which has been constructed and is operated in accordance with the approval of the department.

HON. MR. FROST: That is right.

MR. OLIVER: I said that, but it leaves the particular aspect of this open, that once The Department of Health gives approval, each one of these streams—in effect—can have sewage dumped into it, if The Department of Health gives a permit. We should not, I suggest, by an enactment of this Legislature make that the over-all law of the province. There should be some restric-

tions, surely, in the general law, which prohibit corporations or municipalities from dumping any untreated, raw sewage into streams and rivers of the province.

I suggest we are asking the Legislature to go a long way, if we are going to say, by Statute, that in this province a municipality cannot dump sewage into any water course without securing a permit from the Department of Health.

There should be a basic law which prevents municipalities from dumping sewage into streams. I suggest that is going a long way, to ask this Legislature to approve that sort of legislation.

Motion agreed to; second reading of the Bill.

THE FEMALE EMPLOYEES FAIR REMUNERATION ACT

Mr. D. MacDonald moves second reading of Bill No. 53, "An Act to amend The Female Employees Fair Remuneration Act, 1951."

He said: Mr. Speaker, I do not need to take a great deal of time dealing with this. I just want to submit that The Female Fair Remuneration Act in the province of Ontario has, in effect, become inoperative. There have been no claims in two years for review of situations with which this Act attempts to come to grips.

As late as November of last fall, I was informed by the administrator of the Act there had been no submissions, and if the hon. Prime Minister has any doubt, let me quote from a statement by Mr. Louis Fine, in which he said:

No new complaints arose in that fiscal-year period, nor between then and now.

That was the fiscal year from April 1, 1954 to March 31, 1955, so for two years we have had no complaints under the Act at all.

HON. C. DALEY (Minister of Labour): That is because the Act has been accepted by the employers. They

pay the rate, as the Act requires them to do.

MR. MacDONALD: If the hon. Minister would not be so anxious, he would not anticipate what I am going to say. One might conclude that the Act was operative and was doing its job, but I suggest it is not. This Act was brought into effect in 1951. There was a period of 6 or 8 months before it was proclaimed, and I am sure the department is aware of the fact that during that waiting period, many employers in this province went through the process of re-stating job classification, so that apparently liabilities under the Act were removed, and they could escape the consequences. That is point one.

Point No. 2 is that over the first 2 or 3 years, there were not many complaints brought down, but those who did bring them down soon discovered that they could not get these complaints to "stick." I want to suggest to the hon. Minister that the main reason why complaints are not being made now is because those who would attempt to make complaints have discovered from experience that the Act does not work, and there is no use bringing in complaints at all.

A year ago, the province of British Columbia legislated a Female Fair Remuneration Act, which is almost a carbon copy of our own. In the province of British Columbia, they had something like 29 complaints in the first year or so the Act was on its books. Of those 29 complaints, 27 were carried through, and judgments were rendered in favour of the complainants.

As a result, there has been an indefinite number who have been benefited—I cannot state how many—because each one of these is in effect a test case, which applies to a good many others to be found in the same plant. These 27 judgments, made in favour of the complainants, affect literally hundreds of people, at least in the Province of British Columbia, who have been able to get effective implementation of the "equal pay for equal work" Act.

We have not got it in the Province of Ontario. If the hon. Minister thinks we are not getting complaints registered because of the fact that the Act is operative, I may say that we are not getting them laid because experience has proven to people fighting this battle, particularly in the industrial world, that there is no use bringing complaints, because usually they are thrown out.

Mr. Speaker, the purpose of this Bill is simply to alter the key phraseology in the Ontario legislation, that which refers to the fact that you cannot show any discrimination against female employees doing the same work in the same establishment. That is the key phraseology.

Experience has shown that the words "for the same work done in the same establishment" do not admit of effective implementation of the Act. We have cases in which because there is a slight difference in working conditions on some particular shift, the employer does not pay the woman the same rate, although for all practical purposes she is doing the same job. If the hon. Minister thinks this Act is operative, how will he explain this situation?

On more than one occasion, complaints have been registered under this Act, and they have been thrown out—the complainant's case has not been regarded favourably at all. Some 4 or 5 months later, the collective bargaining agreement in that plant will come up and the union will succeed in negotiating some narrowing of the differentiation between male and female employment for people doing the same work.

HON. MR. DALEY: Mr. Speaker, is it not reasonable to think, if the union, in negotiations with the employer, decides that the narrowing is what should take place, why should we interfere? When the negotiations take place with the unions, there will be a certain increase for female employees. If that is worked out in negotiations, the union then must accept the fact that there is a difference between the work the women and the men are doing.

MR. MacDONALD: There is not a difference in the work. The union does not accept that there is a difference between the work done by the male and the work done by the female. They succeeded in narrowing the gap which, if this Act were operative, would have been eliminated completely by law. The Act would not recognize it, because this very vague phraseology made it possible for them to get in under the Act. I want to draw attention to that. The Bill I have brought here substitutes for this vague phraseology, a phraseology roughly as follows:

For work of comparable character in jobs the performance of which requires comparable skills.

I want to draw the attention of the hon. Minister, the hon. Attorney-General and the hon. Prime Minister to the fact that this is the phraseology which is in Acts on the other side of the line, and in Canada, where they are proving really effective.

Furthermore, this is the phraseology in the Bill brought down by Mrs. Ellen Fairclough, for some years in the federal House of Commons, and now accepted by the federal Liberals. It is to be brought in by the federal government. Here is an acceptance by the Liberals and Conservatives federally, and unless the government here wants to break with the Liberals and Conservatives on this, and oppose the effort of Ellen Fairclough, I do not see any reason why they cannot accept this amendment.

HON. MR. FROST: Mr. Speaker, I am familiar with Mrs. Fairclough's Bill. I can assure the hon. member that this matter was gone into very carefully at the time. I was interested in what the federal government was going to do, and I had this checked up with Ottawa. The federal Bill has not been introduced yet, but the resolution on which the federal Bill is founded, has been introduced at Ottawa, and is as follows:

Resolved, that it is expedient to introduce a measure to provide equal

pay for female employees as compared with male employees of the same employer for identical or substantially identical work in federal works, undertakings, businesses, etc.

Would the hon. member be satisfied with that?

MR. MacDONALD: No, I would not—if they are bringing in legislation with the word “identical.”

HON. MR. FROST: It says, “equal pay for female employees as compared with male employees of the same employer, for identical or substantially identical work.”

MR. MacDONALD: This idea of “identical” or “substantially identical” work is one with which I do not agree. If this is what the federal government is going to carry into a Bill, I personally am not in favour of it. The word “identical” opens the door to an employer to say that there is some small insignificant thing in the work, they sit in different positions, the light comes in different positions, and so on.

Some hon. members may think that is nonsensical, but that is what happens. Employers have argued in that way and have “gotten away” with it. These words “substantially identical” are words which are “weasly” words, with which the lawyers can have a wonderful time, and then the Act becomes inoperative. If the legislation calls for work “identical” or “substantially identical” you have the possibility of confusion right there. Why state the case in this complicated manner?

The wording which has proven effective in many jurisdictions is the wording which Ellen Fairclough introduced over the years. If the Liberals at Ottawa are going to bring in something which will make it inoperative, it is about time the hon. Prime Minister and I got together to oppose the Liberals on that, and bring in something such as Ellen Fairclough desired, that is, “work of a comparable character in jobs the purpose of which requires comparable skills.” This is a phraseology which meets the situation

and which does not admit of interpretation which can violate the spirit of the Act while apparently living within its letter.

I think that this kind of thing would be effective, and since that is precisely the amendment which I have brought in, there is no reason why the Conservatives here cannot support what the Conservatives at Ottawa have been propounding.

HON. MR. DALEY: Mr. Speaker, it must be remembered that it was this government which brought this Act in, in the first place.

HON. MR. FROST: We were the first in Canada.

MR. MacDONALD: No, no, it was not. It came under the Saskatchewan Bill of Rights 10 years ago. The hon. Ministers know so very little about Saskatchewan.

HON. MR. DALEY: If one goes too far in a measure of this kind, I am fearful it would work against women. There are women engaged in a plant, maybe there are only one or two, who because of their sex require quite a lot of services of one kind or another, so they can be satisfactorily employed there now. If this Bill is pressed and this point is made absolutely compulsory, and if even for comparable jobs, they had to be paid the same, I am afraid a great many women would be unable to find employment.

MR. MacDONALD: In other words, the hon. Minister does not want to fulfil the principle of the Bill?

MR. SPEAKER: Order.

HON. MR. DALEY: The principle of the Bill is being fulfilled. We brought this Bill in. It has proved reasonably satisfactory.

MR. MacDONALD: Nothing has happened in two years.

HON. MR. DALEY: We have had no complaints.

MR. MacDONALD: Did the hon. Minister say there were no complaints?

HON. MR. DALEY: I cannot see that there is anything wrong with the Bill as it is. Our employers are fair and they have accepted it. Where the jobs are identical, they pay identical rates, but where they are not identical, and there is a difference, they pay the women's rate. These rates were reached through negotiations between employers and unions, and they have been found substantially right.

As the hon. member says, negotiations went on in the unions to narrow the difference. The reason for the difference was they felt the female employees should have a raise, and brought nearer to the men's rate.

MR. MacDONALD: How can the hon. Minister agree that the difference should exist under this Act?

HON. MR. DALEY: They must have accepted the fact that in this particular job the female employees were not doing identical work, otherwise the good unions would never have agreed on a settlement that would not give them equality.

MR. MacDONALD: Tut, tut.
Motion negatived.

THE FARM PRODUCTS MARKETING ACT

MR. OLIVER: The hon. member for Bruce is not here. Does this have to be called tonight? He has been here constantly.

HON. MR. FROST: I intended to call Order 19, which contains the same principle. Perhaps we can clear these matters up.

THE FARM PRODUCTS MARKETING ACT

Mr. MacDonald moves second reading of Bill No. 77, "An Act to amend The Farm Products Marketing Act."

He said: Mr. Speaker, the principle of this Bill is a very, very simple one. It is a principle which the Ontario Federation of Agriculture, and other farm organizations, have asked to be implemented, namely, that when they take a vote for the establishment of a new marketing scheme, the percentage required in the regulations shall be a percentage of the votes cast, rather than of the eligible votes.

I think it is a practical proposition which will remove many of the serious difficulties which the farmer finds in this difficult process of votes for establishing marketing schemes as it now stands. I think it is only an extension into the economic field of a principle which now exists in the political field.

I would draw the attention of this House to something which was "kicked around" a great deal in the committee, that if the situation as it now exists with regard to the regulations in farm marketing schemes were to carry out into the political field, this government would never have been elected.

MR. YAREMKO: Who would have?

MR. MacDONALD: That is an interesting point, because it is an impractical procedure.

HON. MR. FROST: May I ask the hon. member if he would tell me the actual meaning of the section he is proposing, and its effect? I have found some difficulty in following the wording, and that is why I called the Bill in the name of the hon. member for Bruce.

MR. MacDONALD: No, that is not the reason why the hon. Prime Minister called it. He should not "kid" us on that one. This was on the Order paper ahead of the other, and he called the other one for his own particular purposes.

What I am suggesting here is what the Ontario Federation of Agriculture has asked for.

HON. MR. FROST: Read it.

MR. MacDONALD: Namely, that when you have a vote you would have a vote of the prescribed percentage, whatever it is, $66\frac{2}{3}$ per cent.—if that is required to establish a marketing scheme—not of the eligible voters on the lists, but of the votes cast. It comes down, if I may carry the analogy to the one which touched a sore spot, and produced all the objections from the government benches, to this: In the last election we had a certain number of voters in the province of Ontario. The Conservative Party received 25 per cent. of the eligible votes.

MR. G. C. WARDROPE (Port Arthur): The hon. member did not count them right.

MR. MacDONALD: I did. That is the official record. The opposition Parties received 25 per cent. of the eligible votes; 50 per cent. of the eligible voters voted, and the other 50 per cent. stayed at home. What the Conservative Party received was 50 per cent. of those who voted, but only 25 per cent. of those who were eligible to vote. Why should the government, in establishing marketing schemes, lay down a prescription that they must get $66\frac{2}{3}$ per cent. of the names on the list, so that everybody who does not come out is in effect voting against the scheme?

If that principle is valid, 75 per cent. of the people in the province of Ontario voted against this government last June 9, because it would mean the 50 per cent. who stayed at home voted against, and with the 25 per cent. who voted for the opposition Parties, would make 75 per cent. of the people voting against this government, and the government would have been defeated 3 to 1, which would have been in the best interests of the province.

HON. MR. FROST: I have no doubt if the people had known that we had to get two-thirds of those who were on the voters' lists, they would have turned out and voted for us.

MR. MacDONALD: I am glad the hon. Prime Minister can at least smile,

instead of calling other people nasty names.

MR. YAREMKO: Another expert.

HON. MR. PORTER: It was a 60 per cent. vote, may I correct the hon. member. It was a 60 per cent. vote, not a 50 per cent. vote.

MR. MacDONALD: Pardon?

HON. MR. PORTER: It was a 60 per cent. vote.

MR. MacDONALD: The total in the last June 9 election?

HON. MR. PORTER: 60.61.

MR. MacDONALD: This is a very interesting thing, if there were 60.61, they added 10 per cent. of the names on to the voters' lists on June 9, because the figures on the eve of the election were approximately 50 per cent. so that all the new names which were added on the voters' lists by the usual process must have built it up to 60 per cent. Hon. members should go down and get the figures from the Canadian Press. I got them, and I tried to get them for weeks afterwards.

MR. SPEAKER: Order.

MR. MacDONALD: May I deal with the one point?

HON. MR. FROST: Introduce a Bill to have a new election.

MR. MALONEY: The hon. member should go down to Renfrew South, and run himself.

MR. MacDONALD: May I deal with one point, that is the difference between this Bill and the one the Liberals have brought in on precisely the same matter. They have put a figure in the Statute of " $66\frac{2}{3}$ per cent." I do not think it belongs there, and I will explain why.

When we were before the farm committee I can remember Mr. Broderick, whom hon. members on the opposite side of the House will know, as a former

president of the Ontario Federation of Agriculture, explaining the problems they face in organizing a vote. He pointed out that when you go to organize a vote, sometimes the conditions vary a great deal.

If you organize a vote, for example, of a peach marketing scheme in a compact area, it would not be too much of a hurdle to say you had to get 80 or 90 per cent. of the votes because it is compact. However, if you have to organize a vote which will draw votes from across the province, including the advertising, setting up of the poll, and getting out the votes, it becomes a monumental task, which is like a little general election. To set a high percentage on that is quite a hurdle. A lower percentage is the equitable thing.

Therefore, I think the percentage which must be received in any particular vote should be a matter of regulations to be decided by the department, in the light of the particular scheme which is being voted upon. If it is a compact one, you should have a higher percentage of vote. If it is one concerning the entire province, a vote of 60 per cent. would be equitable. Therefore, I do not think it should be put in the Statute, and that is in effect what the Liberal Bill suggests.

I think the Bill I have brought in is the one for which the Ontario Federation of Agriculture has asked, namely, that it shall be a certain percentage, whatever is in the regulations, of the votes cast, rather than a total number of votes on the list. This will eliminate this undemocratic proposition, that those who stay at home are regarded as being opposed to the particular resolution, because, I repeat if that were a sound principle, 75 per cent. of the people of this province voted against this government last June 9.

HON. MR. FROST: Mr. Speaker, the hon. member for York South has some points of argument, which I think are good, and which could be considered. However, the matter of a municipal or provincial election really has not any validity in this argument at all. You

must remember that in a marketing scheme—and this has been discussed in detail with our farm hon. members here, and I can assure the hon. member that we have some very excellent farm members, there are two sitting opposite there—

MR. MacDONALD: How about the Canadian Federation of Agriculture and the Farmers' Union?

HON. MR. FROST: I would say they are members.

MR. MacDONALD: Did you discuss it with the Opposition benches?

MR. SPEAKER: Order.

HON. MR. FROST: I will deal with that in a moment. We have some very excellent members here, and we have discussed this problem. These votes actually interfere with the economic rights of the farm groups which they concern. You take away from them the right to deal and trade in their own goods—

MR. MacDONALD: I wish I had the quotation from Charlie McInnis.

MR. SPEAKER: Order.

HON. MR. FROST: That is a serious matter. I had a discussion the other day with the Canadian Federation of Agriculture, Mr. Broderick and Mr. McInnis, and a large delegation who came to see me, and I thought they had a very reasonable brief indeed. I think their brief was released to the press, and I have no doubt you have a copy of it, because it was made public. They admitted this was a difficult point.

I would say that the Bill proposed by the hon. member for Bruce is quite unworkable. To have two-thirds of those who vote would be tantamount to saying that you had a vote, and just a handful of people voted, so you would put in a scheme which would affect the rights of all the people growing those crops within the area covered by this scheme. The Federation of Agriculture are common-sense people, and if you

have not a large preponderance of the people who would be covered by the scheme, then the vote is useless. Dissatisfaction would be so prevalent that you could not enforce the scheme. You have to have an overwhelming proportion of the people who are affected by the scheme.

I quite recognize the point the hon. member raises, that if you have a commodity which covers a small area, I quite agree it is easier to get the vote out there, and in a case like that it is easy to get the vote out, then you can get the preponderance of people. We have had two votes, in the last few days, on commodities covering a limited area, and the vote in those cases might have been 90 per cent., I am not sure, but it was a very heavy vote, and in two cases it carried, and in one case it was lost.

I quite agree that when you take a broad scheme like the hog scheme, which covers all Ontario, the arrangement appears to be too onerous. We have discussed that, and it is difficult to find a solution. As a matter of fact, the solution is not contained in the amendment by the hon. member for York South.

It gets down to this, somebody has to fix the proportion of those who would vote, having regard to the area and the number of people involved. We have explored that, and the hon. Minister of Agriculture told the Federation people that we would look into that and other matters contained in their brief most carefully.

I do not think any of these Bills meet the point. Quite frankly, I think this Bill of the hon. member for York South possibly provides more flexibility. I would think that Bill No. 123 is completely unsound and unworkable. I intend to call that in a few minutes, and if the hon. member wants to speak on the matter, he can.

The proposal the hon. member has put forward has some points which we have considered. There are, however, as he will agree, undesirable features about placing executively that problem on the hon. Minister, or on the market-

ing board, to determine what percentage of vote would be required, if there was a province wide scheme or half of a province wide scheme, or whatever it may be. This is a problem in which we are very greatly interested, and I can assure you that we are endeavouring to find a solution.

However, I do not believe either of these Bills provide a solution. I have not the brief of the Federation in front of me, but their brief leaves the matter open to say they do not like the present arrangement, but there has to be a heavy preponderance of people vote for the scheme. If you do not have that, then the thing is not workable.

MR. MacDONALD: The brief is explicit on this, they ask for a percentage of those voting, rather than a percentage of those eligible to vote. That is all I have in here, and all I have proposed; absolutely all I have in here.

On the other proposition which the hon. Prime Minister has raised with regard to the percentage, I agree it may be a difficult problem to say what the percentage is to be, on some new commodity scheme which comes up, where you assessed in the terms of the geographical area, the acreage or square miles it involves, or something like that. But I do not think that is insurmountable, and I think this will alleviate the greater injustice.

Let me emphasize this in case the hon. Prime Minister may think otherwise. I agree with him that if you are going to have a vote on a marketing scheme, you have to definitely have more than half, because if you do not, the thing will not be operative. If you have half the people opposed to the thing, you cannot make it work.

On the other hand, if you get up to 60 per cent. or 66 $\frac{2}{3}$ per cent. in favour, you are getting to the point where that number of people say they want it that way. I think "Charlie" McInnis is correct when he says you are taking away the individual rights of the remainder, that they have to conform with the majority. If you do that, you are denying them individual rights.

All that is an outmoded 19th century idea, which is part and parcel of a conception of *laissez-faire* that is long since gone. If the majority of people decide they want to market a product and it is a distinct majority, it is a reasonable scheme. It is merely saying the minority have to go along with the majority, which is like saying those who lost the election have to go along with those who won the election. I think it is the same thing.

HON. F. S. THOMAS (Minister of Agriculture): There are two things the hon. member for York South (Mr. MacDonald) did not say, one is that in the British Empire they designate the number of eligible voters, and the new Bill in the Province of Quebec makes it 75 per cent., and it must be 75 per cent. of the value of the commodity as well.

MR. MacDONALD: Just a minute now, the hon. Minister cannot "get away" with that statement. In the British Empire, I know that the legislation of the British Labour government does not stick to the number of eligible voters on the list. It prescribes a certain percentage of those voting, with this rider, that the number who vote must represent a certain proportion of the volume being marketed, so a lot of little producers cannot, in fact, outvote somebody who has a real stake in the issue.

That, I suggest to you, is a far more liberal proposition—with a small "l"—than you have here, and it happens to be in the British Empire, or the Commonwealth, if we may get up to date.

Motion negatived.

FARM PRODUCTS MARKETING ACT

Mr. F. R. Oliver, in the absence of Mr. Whicher, moves second reading of Bill No. 123, "An Act to amend the Farm Products Marketing Act."

MR. OLIVER: I make the motion, Mr. Speaker, with the sure and certain knowledge that it will tread the path of the one which has gone before.

Speaking to the principle of this Bill, I agree with the hon. Prime Minister that in order to have an effective commodity marketing organization, we must have a substantial majority of the farmers supporting that particular commodity group. In this Bill, which is sponsored by the hon. member for Bruce, he suggests that $66\frac{2}{3}$ per cent. of those who vote would constitute what in his judgment—and in mine as well—would be a workable majority, and one which would justify the bringing into effect of the scheme.

It has been suggested tonight that with some particular products, and in some particular areas, the vote might vary. I say to the House, in respect to this Bill and in fact to the whole problem, that there is no vote where you should accept less than $66\frac{2}{3}$ per cent., and I cannot conceive of any where you should require more than $66\frac{2}{3}$ per cent.

It seems to me if you have a majority vote of $66\frac{2}{3}$ per cent., you have an ample demonstration that a great majority of the farmers are in favour of that scheme, and I think it is rather idle to talk about needing a greater majority, or "going for" a scheme with a lesser majority. Anything less than that, in my opinion, would not constitute a sufficient majority to justify the implementation of the scheme itself. Anything more than $66\frac{2}{3}$ per cent. should not be required to put a scheme into operation.

I think there is nothing at all wrong with the figure of $66\frac{2}{3}$ per cent. I will tell you what I do agree with which has been said here tonight, and that is that there is nothing in this Bill which requires a certain percentage of the vote to be cast. Of course, I agree with the hon. Prime Minister. I would be bound to do so. But you cannot have a third of the full poll vote, and then put the scheme into operation with $66\frac{2}{3}$ per cent. of one-third of the votes.

HON. MR. FROST: That is right.

MR. OLIVER: There must be a base vote of, I would say, between 50 and 60 per cent., somewhere in there,

and once you have that required base vote of 50 to 60 per cent. I say that our Bill is absolutely sound, and that any scheme could be and should be put into operation with an affirmative vote of $66\frac{2}{3}$ per cent.

MR. R. MACAULAY (Riverdale): Yes, but your Bill does not have that.

MR. OLIVER: It has not that base vote, no.

HON. MR. PORTER: By the hon. leader of the Opposition's own admission, it is wrong.

MR. OLIVER: The other has not it either, for that matter.

Motion negatived.

LABOUR RELATIONS ACT

Mr. D. MacDonald moves second reading of Bill No. 78, "An Act to amend The Labour Relations Act."

He said: Mr. Speaker, this is exactly the same principle as that underlying the Farm Marketing Bill, that it shall

be a certain percentage, whatever is prescribed, of those voting rather than those eligible to vote. Nothing more need be said.

Motion negatived.

HON. MR. FROST: Mr. Speaker, in moving the adjournment of the House, may I say that tomorrow we will proceed with the Estimates of The Department of Health, following which there will be some matters on the Order paper — I do not think very many, judging by the progress we have made tonight—and there will be Budget debate and we will be resuming the debates on the few reports that still stand on the Order paper.

May I say, sir, that tomorrow morning at 10 o'clock, the Committee on Health meets again and there are, I think, some further important matters for consideration.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11:45 of the clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Tuesday, March 27, 1956

Afternoon Session

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

TUESDAY, MARCH 27, 1956

2 O'CLOCK, P.M.

And the House having met.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

CLERK OF THE HOUSE: Mr. H. E. Beckett, from the Standing Committee on Legals Bills, presented the committee's fourth and final report, which was read as follows and adopted:

Your committee begs to recommend that the following Bill be not reported:

Bill No. 122, An Act to establish a uniform and simplified procedure for the enforcement of statutory duties and the review of the exercise of statutory powers by the courts.

Motion agreed to.

MR. SPEAKER: Motions.

Hon. L. M. Frost moves that notwithstanding the previous Order of the House, this House will meet at 10 o'clock tomorrow forenoon, to rise for luncheon recess, if necessary, at 1 o'clock and resume at 2 o'clock in the afternoon.

Motion agreed to.

MR. SPEAKER: Introduction of Bills.

We will revert to "Motions."

Hon. Mr. Goodfellow moves that third reading of Bill No. 88, "An Act to amend The Assessment Act," on Monday, March 26, be rescinded and that the Bill be referred back to the Committee of the Whole House for amendment.

Motion agreed to.

MR. SPEAKER: Introduction of Bills.

Orders of the day.

Before the Orders of the day, I would like to welcome to the Assembly this afternoon students from the Queen Mary School of St. Catharines, also students from Orde Street School of the city of Toronto.

HON. G. H. DUNBAR (Provincial Secretary): I beg leave to present to the House the following:

1. Twenty-second annual report of The Department of Municipal Affairs for the year ended December 31, 1955.

2. First annual report of the Ontario Telephone Development Corporation of the province of Ontario for the year ended December 31, 1955.

3. First annual report of the Ontario Highway Transport Board for the province of Ontario for the year ended December 31, 1955.

4. Second annual report of the Ontario Telephone Authority of the province of Ontario for the year ended December 31, 1955.

HON. MR. FROST: I desire to table answers to Questions 6, 12, 15, 20, 22, 28, 31, 32, 33, 37, 38 and 40.

MR. OLIVER: The hon. Prime Minister has been saving them up.

HON. MR. FROST: No, we have been working nights.

MR. MacDONALD: How many does that leave?

HON. MR. FROST: I think there are only about half a dozen questions left.

I might say to the hon. member for Oshawa (Mr. T. D. Thomas) who has inquired of the Ministry, how many liquor control properties are rented in Ontario, what is the yearly rental for each, and from whom are the properties leased?

It would be a very long return. If the hon. member wants that information, would he make it an order for return, and it will not have to be printed in the *Journals* of the House. Such printing would cost a great deal of money and it seems we have not money to do the jobs with which we are faced.

If there is any specific property in which the hon. member is interested, I would be very glad to give him the information. Otherwise, I will make the order for return.

MR. THOMAS (Oshawa): I think this question was put in 1949 or 1950, and the answers were given at that time.

HON. MR. FROST: If the hon. member has the answer, why does he require it again?

MR. THOMAS (Oshawa): That was 1950. Many have been opened up since that time.

HON. MR. FROST: I will make an order for return, and I so move that the order be made.

There are some other questions, regarding which I shall make a similar motion tomorrow.

MR. S. L. HALL (Halton): Mr. Speaker, before the Orders of the day, I would like to bring to the attention of the House something of public importance, especially to those of us in that part of Ontario known as the "Golden Horseshoe." I have a letter from the Credit Valley Conservation Authority which I received the other day. They are very anxious to have in their district a provincial park. The Carleton Electrical Company some years ago gave 21 acres for such a purpose. They are very anxious this should be taken over by The Department of Lands and Forests, and turned into a provincial park.

Since 1954, there have been two woodland properties deeded to the Crown, one known as the Mark S. Burnham property, in Peterborough county, and the Emily township property in Victoria county.

Mr. Speaker, I am very anxious that this park be established there by The Department of Lands and Forests, as there is no provincial park in this part of Ontario at present. It would be of very great benefit to the cities of Guelph, Hamilton and Toronto, and to all the surrounding country, as well as the rural people. Those hon. members who have visited Peel county know the Port Credit and Carleton districts, and they know that there is a very suitable site there for a provincial park.

I hope, therefore, that the department will take over this property.

I have another request to make, which is also upon the request of the Credit Valley Conservation Authority. Since that county is being represented in this House, and has been for a great many years, by one who is well respected all over the whole province of Ontario, who has held the portfolio of Minister of Agriculture as long as any other hon. Minister in the province of Ontario, who also was the hon. Prime Minister of this province for a short time, the request is that this park should be called the "T. L. Kennedy Park."

grants at \$1,000 for each active treatment bed and \$2,000 for each chronic hospital bed will be required for these, and, as the beds are put to use, maintenance grants will be provided. For these additional demands, the department estimates that the vote on this item will have to be increased by more than \$750,000. This is covered under vote 515 of our Estimates.

The division of epidemiology is concerned with communicable disease, the free distribution of biological products for the prevention of disease, and other similar activities. Our polio vaccine programme will be more widespread in 1956, and is mainly responsible for the increase of \$412,800 in the spending for this division. In Ontario, there are approximately 1.5 million children under 15 years of age. About one million of these are in the elementary schools. In 1955, two doses of Salk vaccine were given to more than 360,000 (in all municipalities) from the first 3 grades of the elementary schools.

May I inform the House that we provided Salk vaccine last year for all the schools in the elementary groups, that is public, separate and private.

For 1956, the government has ordered 3,375,000 doses. This will provide a third dose to all last year's group, and first and second doses to all other elementary school children and to children of pre-school age.

It is hoped that the province can give two doses of the vaccine this year to the new grade 1, to grades 5, 6, 7 and 8, and as many children as possible between the ages of 1 and 5 years.

In the field of child health, The Provincial Department of Health took definite steps in 1955 to set up a programme aimed at an ultimate lowering of the mortality rate among prematurely born babies. The programme includes grants to general hospitals for improvements in facilities and nursing services in their nurseries. We have set up also short course training for selected hospital nursery personnel.

This is a 4 or 5 week course for nursery supervisors who are required to be registered nurses and are recommended by the hospitals concerned. There have been two training periods to date—one in January and one in February of this year, and a third will be given in September or October. The programme includes also the provision of certain technical equipment. Money is provided for this under vote 504, item No. 4.

In co-operation with our division of laboratories, the division of maternal and child hygiene proceeded with the introduction of basic Rh typing. This latter is another free laboratory service to the physicians of the province of Ontario.

The above reference to the role played by the provincial laboratory in the child health project is a reminder of the breadth of scope of the work undertaken by our laboratory, and of the excellent reputation it has achieved throughout the province.

Competent staffs in the provincial laboratories carry out more than 2 million scientific procedures. They perform bacteriological tests on specimens submitted by medical officers of health on foods or other substances and as readily do pathological reports for them on human tissue. There is expert opinion to be had on blood chemistry, on water supply, on a sample of milk, or on industrial products.

Now, to all this has been added Rh typing. Except for tissue pathology and the more complicated procedures in the field of biochemistry, this service is free to all physicians and medical officers of health.

I have with me today lists of all the things which are given free, as well as 5 or 6 different tests for which we make a small charge.

The death rate from tuberculosis has decreased steadily for some years. The rate per 100,000 population for 1954 was 6.1. Figures for 1955 indicate a still further reduction to approximately 4.5. Unfortunately the morbidity rate

has not kept pace with the declining mortality rate.

This did not happen by accident. It is largely due to the early detection of infection and to modern methods of treatment. By means of chest clinics, regular surveys of school children and employees of all types, X-raying of patients upon admission to public general hospitals, and by careful recording of the findings, much has been done to prevent tuberculosis spreading.

The division of tuberculosis prevention has promoted all of these activities and has many other responsibilities as well. The division maintains a close association with the 15 sanatoria in Ontario, to which the government contributes more than \$6 million towards the cost of patients' maintenance. A rehabilitation branch has been established and, co-operating closely with industry, has been able to place sanatorium patients in suitable jobs as soon as they are fit to return to work.

The most recent development in the division is a project to provide some of the jails in the province with X-ray equipment. By X-raying the inmates of these institutions, where large numbers of persons may be segregated for long periods, a further step will have been taken to clear up still another possible source of the spread of infection.

Another item of interest is closely related to a subject of vital importance to all of us — and that is cancer control. The Ontario Cancer Treatment and Research Foundation, set up by this government, is doing a magnificent job and is carefully proceeding with an efficiently planned programme. Our share of the cost this year is estimated to be \$1,050,000 as compared with \$550,000 a year ago, almost double.

The foundation now operates clinics at Kingston, Port Arthur, Ottawa (civic), Hamilton, Windsor and London; annual grants are likewise made by the foundation towards the cost of maintenance of the treatment centres at Toronto General Hospital and Ottawa General Hospital. With the payment again this year of a special grant

of \$1 million to the Ontario Cancer Treatment and Research Foundation, the province will have made available a total of \$8.3 million for the construction and equipment of the institute of radiotherapy in Toronto. This project is progressing well and, when completed in the autumn of this year, will be one of the most modern research and treatment centres of its kind anywhere in the world.

There are countless other items of interest which I would be only too happy and proud to mention to the hon. members of this Legislature but, to do justice to the activities of The Department of Health would require more time than is at the disposal of any hon. Minister. I have dealt here with the items most closely related to our increased expenditure. If there is anything in any division of the department about which the hon. members wish further details, I will be glad to try to supply them as we go along.

With your permission, Mr. Chairman, I will take my seat at the front.

On vote 501:

MR. G. T. GORDON (Brantford): In view of the interest which has been taken in the fluoridation of the municipal water supplies, and in view of what has happened to the Metro fluoridation by-law, and in view of the many municipalities which are presently considering fluoridating their municipal water supplies, and who now have to pass by-laws, what is the thinking of the department?

Should not the Legislature enact legislation giving the municipalities power to fluoridate their municipal water supply? After the 10-year experiment which has just been concluded in Brantford which, as the hon. Minister knows, has been successful, the dental health of the children in the city of Brantford has been improved by 60 per cent. Whereas 10 years ago 5 per cent. of the children had perfect teeth, today 62 per cent. of the children have perfect teeth.

I think it very important that some stand should be taken whereby our municipalities can, if they so wish, fluoridate

their municipal water supply. Some have recently started, and no objection has been taken. I think it was in Renfrew they were asked the reason why no objection was taken, and they said they had no "crack pots" in that town.

I think every hon. member received a pamphlet through the mail while in the Legislature, entitled, *The Devil's Poison*. If the hon. Minister wants to read something about "crack pots" he will find it in there.

On the second page, it tells you what would happen if you put fluorine in your water, and "it is a wonder that all the people in Brantford are not crippled by this time." On another page, it says the "nationally advertised baby foods are loaded with rat poison," and I think the hon. Minister should look into that, because it is a very serious thing. This is something which all hon. members have received during the last few weeks, and it is put out by the National Federation of Christian Laymen. I do not know who they are, but it must be quite profitable, because there are all kinds of books one can buy from them.

Coming back to fluoridation, I would like to hear an answer to my question from the hon. Minister and have him say a few words on the experiment which has just been completed in Brantford.

HON. M. PHILLIPS (Minister of Health): Mr. Chairman, The Department of Health issued two press releases last year on fluoridation. The first was in January, I believe, and it was based on an investigation by the University of Toronto, in which they stated, briefly, that to the best of their knowledge and from their investigation, they found if fluoride was used in quantities of 1 to 1.5 parts per million, it would do no one any harm.

Then, we waited until the Brantford experiment was finished in June, 1955, after which our statistical division, headed by Dr. Sellers, medical statistician, and Dr. Granger, dental statistician, made an evaluation of that 10-year pilot project. Their conclusion was that the

addition of fluoride to the water at Brantford had aided greatly a group of children under 10 years of age. They could not go beyond that, because it had been used only for a period of 10 years.

I would like to speak as a man who has been in the scientific world for over 30 years, and say that all our conclusions must be made on either a scientific or a statistical level, and both of these have been done.

Then we come to the next problem, and that is, is fluoride purely a public health measure? That is debatable. As a matter of fact, I have consulted the head men of the University of Toronto, as well as others, and they feel exactly the same way. The professor of medicine at the University of Toronto gave me this statement; he said, "I feel it is comparable to adding iodine to salt."

Mr. Chairman, that is very simple, because they put a label on it stating whether it is iodized or plain salt. On the other hand, we add sodium fluoride to all the water, and we know there are a great number of people who are rather opposed to being forced to take, as they say, any medication in their water. Since the court ruled regarding Metropolitan Toronto, we are studying this whole question, to find out whether it is wise to bring forward any permissive legislation on this subject. I have given you the facts, and I hope you will accept them as such.

MR. F. R. OLIVER (Leader of the Opposition): Well, Mr. Chairman, the hon. Minister will agree, I am sure, that there is some confusion in respect to municipalities putting fluoride in the water. There has been difficulty in connection with Toronto, and in order to remove the doubt about putting it into the water in a particular municipality, does the hon. Minister feel that any legislation is required, or how is this situation going to be clarified?

HON. MR. PHILLIPS: Mr. Chairman, there is no permissive legislation at the present time, but it is under study, and I think most of the municipalities know that now.

MR. T. D. THOMAS (Oshawa): On vote 501, there is an item there of \$500,000 for federal grants, and I wonder if the hon. Minister will mention how that is spent.

HON. MR. PHILLIPS: This is simply an operating account, or you might call it a "revolving account", which is put in there. We spend money out of it, and receive the same amount back from the federal government, and it goes back in again. It is not actually an expenditure; it is simply an operating account.

MR. THOMAS (Oshawa): How is it spent? On what?

HON. MR. PHILLIPS: On all federal health grants. You see, we must pay first, and then apply to Ottawa to refund our money.

Votes 501 and 502 agreed to.

On votes 503 to 506:

MR. R. WHICHER (Bruce): Mr. Chairman, about "health units"; I wonder if the hon. Minister would tell us how many health units are operating now in the province of Ontario, and I would like to know the proportion of money the federal government puts into the health units.

HON. MR. PHILLIPS: First of all, Mr. Chairman, I am very pleased to say to the House that we have 27 health units now operating in the province of Ontario. The provincial part of the grants made on behalf of these units for 1955 amounted to \$697,608.55, and the federal portion of the grants to units amounted to approximately \$565,000. You might say ours amounted to \$700,000 and the federal was \$565,000, making a combined total of approximately \$1,265,000.

MR. WHICHER: I just have one further question to clear it up in my own mind. In the event of anything, such as hospitalization insurance, would the federal proposals still include such things as health units?

HON. MR. PHILLIPS: Mr. Chairman, that is one thing I think we must keep clear, and that is the difference between the field of public health and preventive medicine, which belongs to the health units. We keep that entirely in separate ledgers from what we do in the treatment field, with hospitalization and all the others, so this would make no difference whatever.

HON. MR. PORTER: As far as we know.

Votes 503 to 506, inclusive, agreed to.

MR. D. MacDONALD (York South): Mr. Chairman, the hon. Minister earlier this session made a statement on the question of the outbreak of rabies, and what the department was doing to assist in trying to control that outbreak. The thing which interested me in his statement, as well as in statements which have been made outside this House, particularly in a convention that was held of the Ontario veterinarians in the month of January in this province, was the suggestion that it was impossible to control rabies among wildlife, which presented a very serious difficulty in coping with the situation.

I want to suggest, Mr. Chairman, that the hon. Minister here is ignoring a very significant experience they have had elsewhere in Canada, where they started out by saying that the wildlife was an area that could not be controlled. Obviously, there are difficulties in controlling it, but they said they could not control it, and, therefore, that this was an aspect of the rabies outbreak which was beyond their control altogether.

I want to draw the attention of the hon. Minister to a programme which has been in effect in the province of Alberta for the last few years—no, not the province of Saskatchewan—the hon. member to my left will be delighted to hear that.

HON. MR. PHILLIPS: I have read it about 6 times.

MR. MacDONALD: Then I will draw it to the attention of the House, and if the hon. Minister has read it 6 times, I am interested to know why a

programme of action on the part of his department has not been based more in recognition of what has been done here. I am only going to touch on this, I will not go into detail.

This is to be found in the library, a copy of the *Canadian Journal of Medicine and Science* for January, 1956, and was procured when I inquired about it. In this book is an article by E. E. Bal-lantyne, who happens to be president of the Canadian Veterinary Association at the present time, and he is also director of the veterinary services branch of the Alberta Department of Agriculture, and chairman of the Alberta central rabies control committee.

With that background as to who this man is, let me give you a few of the highlights of this article to show you the kind of thing done in Alberta, and I cannot see why it cannot be done in the province of Ontario.

When this rabies epidemic developed in northern Alberta, it was because wildlife was coming down from the Northwest Territories. In fact, apparently in 1952, there was a big build-up of the wild fox population which was the heaviest they had ever had on the North American continent. As a result of that, to show you how serious it was, in one area they had 60 cattle, 20 hogs and 150 horses die of this disease, and it spread right down to the southern part of the province.

Then, after trying to get action from the federal government on a co-operative basis, and failing for a time, they took their own steps in trying to get something done by the federal government, and then went in and authorized it on the provincial level.

It seems here to be the proof of it, through a programme of control of wildlife, they were able to drive the incidence of rabies from the southern border of Alberta, and to clear a 400-mile area as far north as Edmonton.

There is a little map here which the hon. Minister may have seen, which shows the incidence of rabies in Alberta

in 1952, and 1953, and there are dots all over Alberta. It was spotted all over the province, so to speak. By 1954 and 1955, the area in the southern part of Alberta is clear, from the southern border to just north of the city of Edmonton.

They did it by setting up a central rabies control committee, with Dr. Ballantyne as chairman, and they drew into this committee almost every conceivable government branch and outside organization which might be interested, including The Department of Agriculture, The Department of Health, The Department of Lands and Forests. On the federal level, they brought in the health of animals division, The Department of Indian Affairs, and the Royal Canadian Mounted Police.

They brought in the Alberta Medical Association and the medical officers of health of the various areas, and set up the central control committee which served a dual purpose, both in checking the disease, and in educating the public to cope with it. That, in effect, was the agency through which they worked.

Another significant thing — and this brings me back to a point raised by the hon. member for Brant (Mr. Nixon) — is as to whether or not something might be done to deal with the excess fox population in his area, because they are, obviously, one of the great carriers. During the period from November, 1952, to April, 1955, it is estimated the number of animals killed in the forest area of Alberta, in trying to eliminate carriers, included 55,000 fox; over 50,000 coyotes; about 9,000 lynx, over 5,000 wolves, over 600 skunks, some 69 cougars, and 10 fisher. Apparently they decided in this area to go in and eliminate the excess wildlife, and they did so.

Another significant point is the one I want to draw to the attention of the department and the hon. Minister, and ask why this kind of programme has not a place in the province of Ontario? They drove the incidence of rabies northward from the southern border of

Alberta, so they had a completely rabies-free area, in the last couple of years from the southern border northward for 400 miles beyond the city of Edmonton. That seems like a fairly conclusive kind of experience, and an effective kind of programme and, I ask, why is it not applicable in Ontario?

HON. MR. PHILLIPS: Mr. Chairman, may I say that we have been working much along the same lines as Alberta, that is, a committee composed of Education, Department of Lands and Forests, The Department of Agriculture and The Department of Health.

It must be remembered that Alberta has not the same area as Ontario. We have 5 million people, while they have under 1 million. Their geographical structure is entirely different.

MR. MacDONALD: Ontario is 2 or 3 times larger than Alberta.

HON. MR. PHILLIPS: Oh, no. I am not in a position to argue that. Nevertheless, their people are concentrated mostly in the southern part. I read that article several times, and I believe that the coyote is really a cross between a wolf and a fox. They try to cut them down about one per square mile.

Rabies usually occurs where there is a preponderance of this wild canine animal. We find that the infection is found primarily in those animals which use biting as their main source of self-protection.

When we come to the solution of this problem, we must look first of all to the federal government. As was said a week or so ago, they have been doing an excellent job. They have been vaccinating all the dogs in those areas where a case of rabies has been found.

Then we come to the rest of Ontario. We have tried already to get the people to vaccinate their dogs, and probably their cats. The Department of Health has inoculated or vaccinated every one of our cattle or sheep and pigs, which amounts to between 1,200 and 1,400 animals. Those have been

vaccinated already with anti-rabies vaccine.

We are prepared at a moment's notice to send the Pasteur treatment to anyone in the province of Ontario. This is put up in packages which cost us approximately \$8 per package. It gives one person one full series of doses. We have these packages placed at all our public health laboratories throughout Ontario. They are well segregated. We can send a package to any place in Ontario within an hour or two.

This may be very interesting to the hon. members, and I can assure the hon. member for York South (Mr. MacDonald) that we are very concerned about this matter. We are going ahead with a definite programme. Whether we will have to follow in the footsteps of Alberta, that is, the elimination of all foxes and animals of the canine group over and above one per square mile, I do not know. We come to something else now, and it is the first occasion it has happened. There were 16 children in Moosonee who were bitten by a rabid dog. They have all been given the Pasteur treatment. As far as we know, there has been no case whatever of an Indian being bitten by a rabid animal.

MR. MacDONALD: Do I take it that the hon. Minister does not feel that the control of wildlife is an important factor in controlling rabies, or that it cannot be controlled? Which is it?

HON. MR. PHILLIPS: I said that a study had been made to see whether we will have to follow the pattern of Alberta and exterminate the foxes.

HON. C. E. MAPLEDORAM (Minister of Lands and Forests): Mr. Chairman, following what the hon. Minister of Health has said regarding rabies; I made a check again on the Alberta situation. We found that they are still having a considerable number of cases of rabies reported in the province. The general feeling of our Department of Lands and Forests is that this is an epidemic which started in the far north a year ago.

We have no reports that there is rabies in Cochrane, or in the Moosonee districts at all. We feel that it is a cycle which will wear itself out within the year. The animals which were contaminated are either dead, or the disease has not been continuing. We have been keeping very close contact with all the other provinces on this matter. We even sent some people to New York state, where they have had this situation for many years.

There is only one sad factor about this situation. It seems to be a continuing situation, that is to say, once rabies is established in a country, there always are odd cases which turn up in wildlife from time to time.

We do not feel that at present it would be effective to try to wipe out all the wildlife in the province in order to handle this situation. It narrows down into local situations, and has a tendency to wear itself out within the cycle, that is to say, within the year.

It seems to be a situation that is built up because of the tremendous number of foxes which have been bred across the country. That is due to the fact that their skins are not worth anything, and no hunters are taking them. It seems to me nature's method of eliminating the species. We are watching the situation very closely, and working very closely with The Department of Agriculture in this matter. We feel that measures of control which have been set up by The Department of Health, in regard to the inoculation of dogs and so on, will prove effective.

We sent warnings out 6 months ago to all the hunters that, if going north, they should have their dogs inoculated. In many cases, we think they have done so. Personally, I think this problem will iron itself out by the middle of the year.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Chairman, I should like to ask the hon. Minister if, out of his experience, he considers the danger from this disease is on the increase or whether he can say what the situation is at the moment.

HON. MR. MAPLEDORAM: I can say that our information is that it is on the decrease.

Vote 508 agreed to.

Votes 509 to 513, inclusive, agreed to.

On vote 514:

MR. J. WINTERMEYER (Waterloo North): Mr. Chairman, I presume that the allotment in this case is for the establishment of the commission referred to in Bill No. 112. I am quite cognizant of the fact that this is no time to debate Bill No. 112, but I would like to ask the hon. Minister one or two questions with respect to this particular allotment. What I am concerned about is the abrogation of many of the powers and duties of the department, in the event of the commission being set up.

Sections 7 and 8 of the Bill leave no doubt that this commission will do many of the things the department currently is doing. Is the hon. Minister concerned that the commission will take from his department many of its duties and current functions?

HON. MR. PHILLIPS: Mr. Chairman, yes and no. The commission will take a great deal of the work, but they will work in very close co-operation with The Department of Health.

MR. WINTERMEYER: Does the hon. Minister think his department will have any control over the expenditures of the commission, as it now has control over the expenditures on various matters which are referred to in sections 7 and 8?

HON. MR. PHILLIPS: Mr. Chairman, to place the right men there is the main thing. Secondly, if The Department of Health has not control over it, certainly the government will have, and especially the hon. Provincial Treasurer (Mr. Porter) of this province.

MR. WINTERMEYER: Mr. Chairman, as I read the Bill, the Minister will not have a thing to say over the appointment of any of the persons who will be on that commission. I appreciate that

the hon. Minister can tell me he will have certain control, but the Bill does not suggest he will have a bit of control, nor does it suggest that the hon. Minister will be a member of the commission.

HON. MR. FROST: Mr. Chairman, we will consider all those things.

HON. MR. PHILLIPS: Mr. Chairman, that will be discussed by the government of the province of Ontario. The hon. Prime Minister and the Cabinet will certainly have some say in respect to the persons who are appointed on this commission, and as to how it is to be operated, and how much money they are to spend. I can assure the hon. member on those points.

MR. WINTERMEYER: Mr. Chairman, I am quite cognizant of the fact that we cannot enter into a discussion of the Bill. All I want from the hon. Minister is a simple statement as to whether or not he personally feels that the establishment of this commission is a desirable thing, as far as his particular department—that is, The Department of Health—is concerned.

HON. MR. PHILLIPS: Mr. Chairman, I certainly do.

MR. MacDONALD: Mr. Chairman, I do not know whether I will run foul of your heavily wielded gavel or not. I do not know to what extent we can touch upon the responsibility of this commission. I do not intend to review all that has gone on in the committee on health, but there are two points to which I would draw the attention of the House.

I want to submit, by way of a footnote, so to speak, to our discussion in the committee this morning, and these two points, in themselves, give a very clear indication of the fact that there need be no delay at all in proceeding to give this health commission power to do that for which it originally is being set up, that is, to carry out a hospital insurance plan.

The first thing to which I wish to draw attention is one which certainly is pertinent to the discussion on what is being spent on health in this province. In the information given to us by the experts in the committee on health, to my mind the most illuminating is as to the amounts now being spent. This is a separate sheet which was distributed.

The amount of money now being spent by individuals in the province of Ontario, either directly or indirectly, from some sort of an existing plan, is as follows: The information given to us, as to the sources of revenue of public hospitals in Ontario, showed that in 1953, the total amount of money spent by individuals in the province of Ontario was \$64 million. In 1954, it was \$74 million. I asked the question in the committee as to what the figure would be for 1956, so that it could be tied in with all the other figures we have here in regard to the financing of this plan which we have been considering.

There was some hesitancy in giving an exact figure. However, if I may indulge in what may be described as an "intelligent guess", on the basis of the information given to us, I would say that at least \$10 million more could be added for a two-year jump, since \$10 million was the gap between 1953 and 1954.

It is an interesting thing that in 1956, the people of the province of Ontario are going to be spending at least \$84 million—I would imagine close to \$90 million—directly out of their own pockets, on hospitalization, as part of the revenue for public hospitals.

HON. MR. PHILLIPS: The hon. member did not give the 1955 figure.

MR. MacDONALD: That figure was not given. That is why I have been trying to fill in this gap by a projection of the figures.

Mr. Chairman, in regard to the overall financing of this matter, \$190 million is the over-all figure. Of that, \$66 million is being paid by the federal government, leaving \$123 million for the

province. Of that sum, the province is now spending \$40 million, that is to say, \$23 million on mental services, \$7 million on tuberculosis services, and \$10 million on grants to public hospitals. That makes a total of \$40 million, to be subtracted from the \$123 million. That brings the figure down to \$83 million, which is the figure which must be raised by the people of the province of Ontario.

We have discovered, from the projection of the figures in the table, that the people of the province of Ontario are spending more than \$83 million. What is to be concluded from that? The people are now spending more than will be required from them to establish this plan. Let us be fair, as the hon. Prime Minister pleads.

That is the case because of the fact that the federal government is "kicking in" \$66 million. Thus, we get the figure down to the figure I mentioned, but the simple fact of the matter is, that to put this plan into effect, we have to raise, from the people of the province of Ontario, something less than they are spending now directly out of their own pockets.

When that is the case, I cannot see how this government can argue that this represents a financial problem of such magnitude that we must proceed cautiously. I can understand private insurance companies saying we must be cautious, as they are going to lose their business in this field. In order to get the most economical plan possible, I think they should lose that business, as otherwise it will cost the people of the province more. However, I cannot understand the government saying that, as they should not put the interests of the private insurance companies before the interests of the people.

I still have faith that this government will not do that.

HON. MR. FROST: The hon. member is favourable to this government.

MR. MacDONALD: On that one point.

Another major problem has emerged from the discussion, the problem of integration.

The hon. Prime Minister has emphasized once again that this is an important problem, that we have millions of people under present plans. That is a distortion of the facts, if I may borrow the phraseology of the hon. leader of the Opposition in the committee this morning, as the existence of thousands of group plans does not present a basic problem in integration.

The basic fact on integration is that in the province of Ontario today, we have one organization, namely Blue Cross, which is providing coverage to 40 per cent. of the people on hospitalization. They are providing coverage to more people than all the other insurance companies put together.

In other words there is, in that, a sizeable "chunk" of the administration set up, and the government — or, at least, some of the study plans and reports which have been issued — have suggested that the government is going to use the administration of Blue Cross and the experience it has built up over the years, as the basis for their plan. I think that is plain common sense, with this reservation, and I want to make it very clear that I do not want it to be mistaken that the government is asking Blue Cross to operate this as their agent.

HON. MR. PHILLIPS: Who said that?

MR. MacDONALD: I do not say that is so. I put it bluntly, so as to make certain that, as far as I am concerned, I will not be misinterpreted. When we set up a commission, it will be a responsible body. If it acts intelligently, it surely will avail itself of the experience of Blue Cross in respect to its records, its personnel and everything else.

I have shown there is a problem there, but it will be an easy one, as it means simply a re-allocation of the money the people are spending now, no more, in fact, less, as we are now spending more than this is going to demand,

that is, more than the \$83 million from the people of the province of Ontario.

As far as administration is concerned, there is one agency with which I have had differences, and to which I have expressed them, that is, to officials of the agency. Basically, this agency always works on the principle which we in the CCF have always supported in terms of over-all plans. That is to say, certain services are provided to the people, rather than some sort of dollar value, leaving the rest for them to look after themselves. That is where we share common ground with them.

There is a financial problem which admits of easy solution. There is an administrative problem, but 40 per cent. is already in one administration, and their experience is available. When that is the case, I cannot for the life of me see why this work cannot be proceeded with immediately, unless it is a question of playing politics with this matter, and in this I am going to be very blunt: unless we are playing politics, we should be in a position to proceed immediately.

Obviously, this committee has been very useful to us as legislators, as we have had an opportunity to utilize the brains of the experts, and find out something of their thoughts, and of the discussion which has gone on behind the scenes.

At the outset, when the Bill was brought in, I said if this committee was being used as a sort of final step to clear up our thinking, so that we could proceed to establish the plan, I was in favour of the committee. But if it was being used as another "stall", following which this government was not willing to proceed, as they are now in a position to proceed, as a group of laymen, it cannot deal with the technical and complicated mechanisms of establishing a plan, and now it has to go back to the experts.

I suggest we, as laymen in this House, have nothing more to contribute except in regard to such basic matters as co-insurance and the principles involved in it; therefore, we have reached the point

where we can move. If this government is not willing to move, it has been leading the people of the province of Ontario "up the garden path" by talking about hospital insurance, but is not willing to do something.

In other words, it has been perpetrating a gross deception upon the people of the province of Ontario. Let us not leave this thing over for 3 years, until the next provincial election, not only in terms of the needs of the people of Ontario, but for another reason which I draw to the attention of the hon. Prime Minister who talks in national terms.

When he talks in national terms, I believe he is sincere, but until the province of Ontario moves, we are blocking the possibility of establishing this sort of plan across the country. So I say to the hon. Prime Minister: "Get this thing out of politics. Move to meet the needs of the people of Ontario, and by so moving you will make it possible to meet the needs of this nation." If they "stall" any longer, they are just "stalling", and nothing more.

HON. MR. PHILLIPS: If I might answer the hon. member. May I say, in answer to his first question, between the years 1948 and 1953 hospitalization costs rose about 10 per cent. Since then it is 9 per cent., or slightly more.

MR. MacDONALD: Per year?

HON. MR. PHILLIPS: In regard to the government "stalling"; I do not think any government could take a more sound approach to this great question of hospitalization, either with or without in-patient or out-patient diagnostic services. What we have done is to set up a committee of 4, who have made a great study, who have called in many groups who have given their advice and then, during this Legislature, have held 6 or 7 meetings of the health committee. I am sure a great number of things were clarified during that time.

MR. MacDONALD: Now we are ready to act. Let us act. That is the whole point.

HON. MR. PHILLIPS: I am not exactly prepared to say we are ready to act, but I am prepared to say we are not "stalling", and we are not "playing politics."

MR. OLIVER: Mr. Chairman, I just want to say that if we are going to debate the health committee and matters pertaining thereto, I want to add this word to what has already been said.

If the meetings of the committee on health had a purpose, it has been that an opportunity was presented to strip off the verbiage and trappings from this whole question which has been wound around it by the hon. Prime Minister, in his remarks to the House, and in several other places. We have had the opportunity, in the committee on health, to secure information which previously was only within the knowledge of the experts themselves. That has been imparted to the committee members in rather large measure, and has served to inform the members of the committee of the conclusions, which have been drawn by the hon. member for York South (Mr. MacDonald), that this talk about the huge amount of money involved in the inauguration of a hospital scheme in this province is just so much "bologna", and that it was being "drummed up" by the government in order to give them an opportunity to evade their proper responsibilities to the people of this province.

The decks are now cleared. Our vision with respect to the whole matter is clarified, to a degree at least, and we know now that hospital insurance can be put into effect in this province, having in mind the federal contribution without costing the people any more than they are presently paying for hospital services.

I suggest to this House that all the trimmings have been taken away, the issue is clear cut, and it remains on the government's doorstep. What they do with it from now on is their responsibility.

The hon. Minister of Health has said that he is certain of one thing, that the government is not "stalling." If it is

not "stalling", I do not know what other definition I can apply to the procedure they have adopted thus far, in respect to this great question.

MR. MacDONALD: What a silence.

HON. L. M. FROST (Prime Minister): I was extremely interested in what the hon. member for York South and the hon. leader of the Opposition have said, and I can assure them that I will give their views my utmost consideration.

Vote 514 agreed to.

On vote 515:

MR. T. D. THOMAS (Oshawa): On vote 515, item No. 8: in the *Blue Book* presented by the hon. Prime Minister to the Legislature is given the amount of \$40 million, and the amount for public hospitals is \$10.8 million.

HON. MR. PHILLIPS: I am sorry, Mr. Chairman, I cannot hear the hon. member.

MR. THOMAS (Oshawa): In the *Blue Book* prepared by the hon. Prime Minister, he gives an item of \$40 million projected towards a hospital plan.

HON. MR. FROST: The *Blue Book* was not prepared by me, but by the experts to whom the hon. member for York South (Mr. MacDonald) paid a very just tribute.

MR. THOMAS (Oshawa): I thank the hon. Prime Minister for that correction. There is an amount in the Estimates, "public hospitals, \$10.8 million."

HON. MR. PHILLIPS: That is just capital.

HON. MR. FROST: This is for building hospitals at Ajax and Oshawa, and such places.

MR. THOMAS (Oshawa): What about the next item "grants to public hospitals"? One is for \$10.2 million and the other is \$15 million.

HON. MR. PHILLIPS: That covers both maintenance and capital, \$15.7 million.

MR. P. MANLEY (Stormont): On item No. 9, of vote 515, "Grants to isolation hospitals and hospitals maintaining isolation units in amounts as may be authorized by the Minister." How does the hon. Minister determine the grants which will go to those isolation units?

HON. MR. PHILLIPS: The number of beds in our isolation units throughout the province is going down all the time. For the first time, we brought in maintenance grants to isolation hospitals, or isolation units in general hospitals about 3 years ago, and we are paying at the rate of \$1.40 per patient, per bed, toward these units.

MR. MANLEY: The hon. Minister has the power to change the amount, is that it? According to this it says: "in amounts as may be authorized by the Minister." Is there not a set schedule over the entire province?

HON. MR. PHILLIPS: The same schedule is for the whole province.

MR. MANLEY: The hon. Minister has the power to change it.

HON. MR. PHILLIPS: I have the power, but it has remained at \$1.40 since its beginning about 3 years ago.

Vote 515 agreed to.

On vote 516:

MR. MacDONALD: This is a lengthy vote and takes us to Orillia and the institutions there. I have a point I would like to raise in that regard.

I understand a year ago a proposal was considered in one or another of the government departments, and was taken to the Cabinet level, where it was turned down, for the building of further institutions at Orillia. I do not know whether that is the case or not.

HON. MR. PHILLIPS: We can easily explain that.

As a matter of fact, we will have 300 more beds finished there within the next few months, ready to be opened in the spring. When the hon. member says the Cabinet "turned it down", the

fact was they had to put in a new boiler plant because the engineers told us that the existing boiler plant as of a year or so ago would not heat any more buildings than are there at the present time. It was not turned down by the Cabinet, but simply given consideration. They put in a new boiler plant and 300 more beds.

MR. MacDONALD: The point I want to get to is that there are hundreds on the waiting list for children in the retarded class to get into Orillia. As a result of the fact that we have insufficient facilities there to cope with the obvious need for institutional care for these unfortunate people, the worst cases, so to speak, are going in, and in many instances the children who perhaps have a little higher IQ, and therefore would be able to benefit by rehabilitation and training, are the ones who are being kept out.

If that is the case — and I would like to hear a comment from the hon. Minister about this — it is rather tragic, because it means we are being "penny wise and pound foolish" in our economy, because we have enough institutions to take care of only the worst cases, and cannot provide the institutional care for those who are in a somewhat more fortunate class, and could benefit from the training.

There is another aspect of this, which I would like to draw to the attention of the hon. Minister. A few weeks ago there was a meeting held, somewhere in Toronto, of the societies of the welfare council of a number of social agencies, in which they were considering the tragedy of retarded people. They received the information that, in a one-year period, IQ's were taken of the people who were brought into Mercer. Of the 526 people who passed through the institution at Mercer, 143 of them fell into the IQ category of below 70. As a matter of fact there were 15 with IQ's under 49, 58 with IQ's between 50 and 59.

HON. MR. PHILLIPS: What was the total?

MR. MacDONALD: The total was 526; 143 of them were below 70, 70 were between 60 and 69, making a total of 143. I understand according to the medical profession, or whatever profession deals with these things, that people who have an IQ below 70 are what is described as—

MR. JANES: "Politicians."

MR. MacDONALD: —rather feeble-minded. There is no point in putting a feeble-minded person in an institution such as Mercer, and thinking that we can give her the kind of correctional treatment which will persuade her to forsake her habit of breaking the law, because that is just going at it the wrong way. It is not the kind of treatment programme which is necessary.

Some 27 per cent. of the people who were in Mercer were in the feeble-minded class, and cannot be treated in Mercer. The only place they can be treated is in an institution such as Orillia.

I draw this to the attention of the hon. Minister, together with the fact that so many of the retarded children on the waiting list cannot get into Orillia, because we do not have sufficient institutions.

It seems to me, if we are going to meet the needs of these tragically unfortunate people in our society, we might as well recognize we can meet their needs in a sensible, rational, intelligent way, only by expanding the institutions we have, which will cost more money.

I think the measure of the civilization in which we live, and of the moral quality of society, is its willingness to meet the needs of those unfortunate people, and I would like to know whether the government is planning an expansion of its institutions to a degree which would meet the needs of those in Orillia, and the retarded children on the waiting list.

HON. M. PHILLIPS (Minister of Health): I can answer the hon. member briefly in this manner: we have

now, as I stated in my remarks, 1,600 beds out of about 2,400 beds at Smiths Falls, which is identically the same type of hospital as at Orillia, except for its modern design. We have money in the Estimates to start a new hospital somewhere in southwestern Ontario, for this same class of people.

I would like to remind the hon. member that we are living in a different generation. People are demanding institutional care where they did not demand it yesterday. Our best statisticians tell us that we have no more mentally defective or mentally ill persons on a per 1,000 basis today than we had yesterday.

I can assure the hon. member that we are doing a great deal of research and are having marvellous results in the mentally ill field, the psychotic field. However, it will certainly take a great deal of research when we come to those poor, unfortunate, mentally defective cases, because they started out in life without enough grey matter, and how we are going to give them more is still beyond the power of science.

HON. L. M. FROST (Prime Minister): Mr. Speaker, may I ask you not to carry this item at the moment, for the reason that technically, if the government is sustained tomorrow on the vote, we have to return to it, and pass this item in order that we comply with the procedure of the House. Therefore, I would ask, if hon. members are through speaking on item No. 516, that we allow it to stand for the present.

Item 516 stands.

Hon. Mr. Frost moves that the committee rise and report certain resolutions.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

MR. J. F. EDWARDS (Perth): Mr. Speaker, the Committee of Supply begs to report that it has come to certain resolutions, and asks leave to sit again.

Report agreed to.

RESOLUTION

Mr. F. R. Oliver, in the absence of Mr. Reaume, moves: That in the opinion of this House it is desirable and necessary that a meeting be called forthwith of the Standing Committee on Labour of this House for the purpose of considering the operations to date of The Labour Relations Act, as administered by the hon. Minister of Labour, so as to find ways and means of improving the conciliation services provided for by the Act, and of eliminating delays in the working out of same, so as to provide prompt and efficient machinery for the settlement of industrial disputes and grievances, and that representatives of both management and labour and any other interested parties or organizations be invited to attend to make such submissions as they might deem desirable in the matter.

He said: Mr. Speaker, I imagine the hon. Prime Minister carefully watches to see if certain hon. members are in the House, and if they are not, he calls the motion standing in their name.

HON. MR. FROST: Oh, no.

MR. T. D. THOMAS (Oshawa): Very true, Mr. Speaker, very true.

HON. MR. FROST: May I say, sir, that I am a most reasonable person. I have no objection.

MR. OLIVER: The hon. Prime Minister gives every evidence of that.

HON. MR. GRIESINGER: That is against the regulations.

MR. OLIVER: What is against the regulations?

HON. MR. GRIESINGER: The hon. leader of the Opposition presenting that motion.

MR. MacDONALD: The hon. Minister would not know a regulation if he saw it.

MR. OLIVER: Is this the time to argue it, Mr. Speaker?

HON. MR. FROST: Proceed with the resolution.

MR. OLIVER: I have already moved it. What else does the hon. Prime Minister want me to do?

MR. SPEAKER: Does the hon. leader of the Opposition want to debate it now?

MR. OLIVER: I would like to. Mr. Speaker, this motion, standing in the name of the hon. member for Essex North (Mr. Reaume) calls upon the government to call the labour committee together in order that that committee might hear representations from labour bodies, from management, and from the public generally, the idea being that out of all that discussion might well come some proper amendments to The Labour Relations Act.

As has been said in the House previously in relation to this matter, we have had industrial strife, we have had strikes in the province of quite sizeable dimensions, and it was felt by hon. members of the Opposition that if we had the committee called together, and all parties had an opportunity to present their views before that committee, there might well come out of the deliberations of the committee itself some proposed amendments to the Act which will help us in the labour relations field.

Of course, Mr. Speaker, this is the second last day of the session, I cannot conceive that the government is going to accede to this motion at this time, and call the labour committee. But I do say to the House, Mr. Speaker, that I feel that we have missed a great opportunity to hear the representations from these different people, and to benefit from the experiences they have had in the field, actually experiencing the difficulty attendant upon the administration of this Act. I believe that the government has shown, by its lack of willingness to call this committee, that they are not too interested in making proper amendments to the Act, if such are found to be necessary and desirable.

I simply move the motion, and hope the government, in the dying moments of the session, will accede to the request and call the committee tomorrow.

MR. D. MacDONALD (York South): Mr. Speaker, I want to say a brief word of support for this motion. The other day I suggested to the hon. Minister of Labour (Mr. Daley) that, in view of the fact that there was a standing committee which is formally on the books but which never meets, and in view of the fact that this is one of the most important areas of difficulty at which, as legislators, we should have a look, that even friends of the government, like the *Globe and Mail*, have been drawing attention now for months to the need of either the standing committee or a select committee to look into the workings of The Labour Relations Act, that there is absolutely no justification at all for not calling this committee. And if the government does not like the statement which I made the other day, that it is afraid to call this committee, I think it is about time it called a meeting, and dispelled this widespread belief that, very understandably, has been built up over some 4, 5 or 6 years during which this committee has remained inactive.

HON. MR. FROST: Mr. Speaker, perhaps the hon. members might permit me to say something about this, from a rather neutral standpoint. May I say to the hon. leader of the Opposition, who moved this motion, that I have spent, during the last 7 or 8 years, very many hours in discussing The Labour Relations Act and the various revisions of, and amendments to that Act, with the hon. Minister of Labour, with Professor Finkelman, the chairman of the labour relations board, Mr. Metzler, Mr. Fine, and others. I had such a meeting with those gentlemen some 3 or 4 weeks ago, at which the whole Act was thoroughly canvassed again. May I say to the hon. leader of the Opposition that I do not think this resolution, if it was passed, would accomplish anything.

MR. MacDONALD: It cannot now.

HON. MR. FROST: I think that gentlemen with good sense would say that the place for a discussion of the intricate matters involved in an Act, such as we have in The Labour Relations Act, is in Committee of the Whole House.

MR. MacDONALD: Why then do you have the health committee? Why have any committee?

HON. MR. FROST: May I point out a very good example to the hon. member for York South, one which terminated this morning with the discussions we had on matters relating to hospital insurance. I think he will agree. When the hon. member is taken out of his political atmosphere, and the, I should not say "prejudices" but things of that nature which surround him in that environment, and put him into the category to which the law refers to as "the reasonable man", then I think judgment prevails, because common sense is one of the great things with which Providence has endowed us.

I think the hon. member for York South will agree that the health committee, which terminated its sittings this morning, would be no place to deal with the principles, nor the situations created by health or hospital insurance.

MR. MacDONALD: That is a completely different situation.

HON. MR. FROST: The hon. member agrees with that, of course.

MR. MacDONALD: Oh no, I do not agree.

HON. MR. FROST: I thought the hon. member was in agreement.

MR. MacDONALD: Oh no.

MR. SPEAKER: Order.

HON. MR. FROST: However, may I point out to him that applies to consideration of The Labour Relations Act. I have been concerned, frankly, about some matters relating to The Labour Relations Act, one of them being the

problem of conciliation. I think the hon. member for York South will agree that conciliation has a very important and necessary part to play in labour relations. The fact that there have been complaints about conciliation is, I think, an indication that there perhaps are betterments which can be effected in that regard.

Recognizing that, I had a very thorough chat with the gentlemen to whom I have referred, who I think are labour-relations men without equal in America. I do not think a more able and more knowledgeable man than Prof. Finkelman can be secured. I think that is also true of Mr. Fine, the chief conciliation officer, and of Mr. Metzler, and, indeed, the hon. Minister of Labour, who has dealt with this matter over a period now of more than 12 years, in the time of the greatest development of labour-relations legislation in the history of our country.

The opinion I received — and I am not now referring to the hon. Minister of Labour but to the opinion I received from the others — was that in matters of this sort nothing could be accomplished by referring it to the committee; indeed, harm might come from it.

I had two meetings last week or the week before with the great labour organizations, first, with representatives of the AF of L unions and, afterwards, with those of the CIO unions. Referring to the building trades, the AF of L representatives mentioned they felt that the building trades should be taken out of the Act. I feel that would be a retrograde step.

On the other hand Mr. Genovese, and the people associated with him, are good capable men. They have a great deal to do with problems in the building trades. I told them at that time that, as soon as this session was ended, I proposed to have a small group of the men discuss with our men across the table some of these problems, and to take these points to pieces and thoroughly consider them. I think the hon. member for York South will agree that is a reasonable and practical approach.

MR. MacDONALD: No, Mr. Speaker, I do not. Do not let the hon. Prime Minister put words into my mouth.

HON. MR. FROST: I have endeavoured on several occasions to find grounds of agreement with the hon. member for York South, on a reasonable basis.

MR. MacDONALD: The hon. Prime Minister will not find it here.

HON. MR. FROST: Mr. Speaker, it is with deep regret that I find that sentiments, which seem to appeal to others, have no appeal to him. However, I shall keep on trying, sir.

May I point out to the hon. member that I have had dealings with this Act ever since I sat on the other side of the House in 1939, and supported the Bill which was then introduced, which was a very small, innocent looking Bill introduced in this House by Mr. Croll, who is now Senator Croll, and I believe opposed by the—

MR. F. R. OLIVER (Leader of the Opposition): Not opposed by me, Mr. Speaker. Do not let the hon. Prime Minister say that. I voted for it the same as he did.

HON. MR. FROST: That Bill was “killed” by the government supported by the hon. gentleman now opposite, but I supported the Bill. Since that time we have been very deeply interested in this problem. I recollect my very first acquaintanceship with the hon. Provincial Treasurer (Mr. Porter) occurred about that time, when he, as a lawyer, wrote some very fine articles in relation to labour which were published in the *Toronto Saturday Night*. I think I still have some of those articles filed away, because the hon. member for York South is not the only one, Mr. Speaker who collects newspaper clippings.

If it were not for the misunderstanding I would create by using the expression, I would say that the sentiments expressed by the hon. Provincial Treasurer at that time were liberal with a

small "I", as regards labour, and that has been our attitude throughout all these years. I point out to hon. members opposite that is why labour has generally expressed confidence in this administration.

Mr. Speaker, I can say in all consciousness and all sincerity that this resolution would serve no good purpose, and the government cannot support it.

MR. J. WINTERMEYER (Waterloo North): Mr. Speaker, I am rather surprised by what the hon. Prime Minister has just said.

MR. OLIVER: We all are.

MR. WINTERMEYER: I am quite prepared to acknowledge that he personally, and his government, may have a desire to be, as he said, liberal toward labour, but the thing that disturbs me, Mr. Speaker, is that, after all, we are all elected members, and I do not think the people of this province have sent us here with any less authority or any less ability to exercise our personal judgment, than any hon. member on the government side. What, in effect, the hon. Prime Minister has just told us is that he and his colleagues have such a monopoly on common sense and wisdom and the ability to recognize the right thing to do, that we should leave the whole matter to his sole discretion, and all will be well.

The fact of the matter is that we wanted to learn something about this. Since 1939, the hon. Prime Minister has had many opportunities and, granted, has accumulated a great deal of information. But the fact of the matter is that there are a number of us here, particularly the younger hon. members, who would be delighted to come to grips with this matter, to sit on the committee, to ask questions and to find out. And, very frankly, I was surprised the hon. Prime Minister suggested that we might do harm in doing so. It seems to me we have been sent here by the people to do a certain job, and it is not for this government to question the people's right in sending us here, and giving us

an opportunity to express ourselves, and to gather information.

I think that is exactly what has happened. We have been denied the opportunity to investigate this problem and to come up with some ideas of our own.

I am not suggesting that the hon. Prime Minister, in his discretion and wisdom will not come up with the right answer. Probably he will. But I think it has been a demonstration of political manoeuvring in that we have, in effect, been denied the opportunity to discuss the problem. I do not think, sir, that if I were in the position of the hon. Prime Minister or of the government, that I would say in effect to hon. members of this House: "We are the men who are going to determine policy and you, hon. members of the Opposition, will have no opportunity to voice a personal opinion, nor to ask questions, nor to seek advice." I think that is the basic criticism I have to offer with respect to this particular point.

Obviously there is no point in calling the committee now, but if this committee had been called, I as a member would have been delighted to attend its meetings, because I have been particularly interested in this matter of conciliation and I feel that I would have learned something I have not had the opportunity now to learn.

HON. MR. FROST: I have no desire at all to withhold information from hon. members, and I think it will be agreed I have gone out of my way to assist hon. members in that regard. Here is a place to use the expression which I think I recall was used by the hon. member for Waterloo North that "the government must make decisions." Does the hon. member remember that speech?

MR. MacDONALD: And the opposition given no chance to help you make the right one.

HON. MR. FROST: When the time arrives, the government must make the decision, and the decision was made. I think, on all counts, the decision was right.

MR. OLIVER: I just want to say this word, Mr. Speaker, in winding up this debate, and that is to say that the decision of the hon. Prime Minister is tantamount to saying that The Labour Relations Act is letter perfect.

HON. MR. FROST: I did not say that.

MR. OLIVER: And that no purpose would be served in calling the labour committee together in order that discussions may take place, out of which would emanate some decisions which might improve the Act itself. I do not admit that position at all. I do not think any legislation is perfect, and if it were perfect today, it would become imperfect with the passing of time.

I do believe, Mr. Speaker, as I said before, that we missed a golden opportunity to strike a blow for good government, insofar as labour relations are concerned, and so far as I am concerned, we are, I hope, going to divide the House on this. I would like to say just one word with reference to what the hon. member for Waterloo North said, that it would not serve any practical purpose at this time. That is not our responsibility. This resolution has been on the Order paper for weeks, and the government could have called it earlier and we could have discussed the principles of the resolution, which we intend to support.

HON. MR. FROST: Mr. Speaker, I have listened to what the hon. leader of the Opposition has said, but I would point out that we have been sitting here for 9 weeks, during which time I have been waiting for words of wisdom to fall from his lips as to the betterment of this Act, but I have waited in vain. I have heard nothing from him.

MR. OLIVER: All you had to do was call it.

MR. SPEAKER: Order. Call in the members.

The House divided.

Resolution negatived on division.

YEAS

Gisborn
Gordon
Innes
MacDonald
Manley
Nixon
Oliver
Spence
Thomas
(Oshawa)
Whicher
Wintermeyer
Worton
Wren
—13

NAYS

Allan
(Haldimand-Norfolk)
Auld
Beckett
Belisle
Boyer
Cass
Cathcart
Cecile
Collings
Connell
Cowling
Daley
Doucett
Dunbar
Dunlop
Dymond
Edwards
Elliott
Fishleigh
Foote
Frost
(Bracondale)
Frost
(Victoria)
Goodfellow
Graham
Griesinger
Hall
Hanna
Herbert
Jackson
Janes
Johnston
(Parry Sound)
Johnston
(Simcoe Centre)
Johnston
(Carleton)
Jolley
Kelly
Kennedy
Kerr
Lavergne
Letherby
Lewis
Macaulay
Mackenzie
Maloney
Mapledoram
Monaghan
Morningstar
Morrow
Murdoch

YEAS

NAYS

Myers
Nickle
Noden
Parry
Patrick
Phillips
Porter
Price
Pryde
Rankin
Robarts
Roberts
Robson
Root
Sandercock
Scott
Spooner
Stewart
Sutton
Thomas
(Elgin)
Villeneuve
Wardrope
Whitney
Yaremko

—72

LEGISLATIVE ASSEMBLY ACT

Second reading of Bill No. 141, "An Act to amend The Legislative Assembly Act."

Motion agreed to; second reading of the Bill.

THE UNWROUGHT METAL
SALES ACT

Second reading of Bill No. 142, "An Act to repeal The Unwrought Metal Sales Act."

Motion agreed to; second reading of the Bill.

HON. MR. FROST: Mr. Speaker, I move that you do now leave the chair, and the House resolve itself into Committee of the Whole.

Motion agreed to.

House in Committee of the Whole; Mr. Edwards in the chair.

ASSESSMENT ACT

House again in committee on Bill No. 88, "An Act to amend The Assessment Act."

HON. MR. GOODFELLOW: I move that section 83a of The Assessment Act as set forth in section 14 of the Bill be amended by inserting after "proceeding" in the first line:

Except an action or other proceeding brought by or on behalf of a municipality.

The municipal solicitors in looking this over last night discovered it should have an amendment to make it clear that the right of the municipality to bring an action to recover taxes is not limited by this section.

Motion agreed to.

Bill No. 88 again reported.

THE MARRIAGE ACT

House in committee on Bill No. 76, "An Act to amend The Marriage Act."

Sections 1 to 6, inclusive, agreed to.

Bill No. 76 reported.

THE MUNICIPALITY OF
METROPOLITAN TORONTO
ACT, 1953

House in committee on Bill No. 108, "An Act to amend The Municipality of Metropolitan Toronto Act, 1953."

THE CHAIRMAN: This Bill has been reprinted for consideration by the Committee of the Whole House.

Section 1 agreed to.

On section 2:

HON. W. A. GOODFELLOW (Minister of Municipal Affairs): Mr. Chairman, I move that section 2 of the Bill be amended as reprinted for consideration of the Committee of the Whole House. The amendment is necessary to include the trustees of police villages in the Metropolitan area, providing for a two-year term of office.

And also provides that the polling day shall be the first Monday in December and nomination day on the second Monday preceding the polling day.

This amendment sets the election and nomination day one week ahead.

Section 2, as amended, agreed to.

Sections 3 to 6, inclusive, agreed to.

On section 7:

HON. MR. GOODFELLOW: Mr. Chairman, I move that subsection 2 of section 7 of the Bill be amended as reprinted for consideration of the Committee of the Whole House.

The amendment is to make it clear that the Toronto Transit Commission has exclusive authority to operate a local passenger transportation service within the Metropolitan Area with the exception of steam railways, taxis, buses owned and operated by a board of education, school board or private school and buses owned and operated by any corporation or organization solely for the purpose of such corporation or organization.

MR. WINTERMEYER: Mr. Chairman, may I ask the hon. Minister whether he would make some explanation of that?

HON. MR. GOODFELLOW: Yes, I might say that this is a clarification more than anything else, it was felt in the original amendment that it was not set out quite clearly. There is no change in principle from the original amendment. For instance, Simpson's and Eaton's operate buses of their own for the convenience of their customers, and this permits them to operate them; otherwise, they might not be able to.

MR. WINTERMEYER: Perhaps I misunderstand. It would not be that a private bus company would have no opportunity to transport children, or anything of that sort?

HON. MR. GOODFELLOW: That is right. Under the original Bill No. 80, The Toronto Transit Corporation was given complete authority insofar as

transportation of passengers within Metropolitan Toronto is concerned. They have that under the Bill.

Section 7, as amended, agreed to.

Sections 8 to 17, inclusive, agreed to.

On section 18:

MR. GOODFELLOW: Mr. Chairman, I move that section 175h and 175j be amended as reprinted in section 18 of the Bill for consideration of the Committee of the Whole House.

The explanation of this is that these sections provide for the amalgamation of the police forces of the area municipalities and for the setting up of a pension plan for the police officers. These provisions are amended in accordance with discussions held with Metropolitan Toronto officials and representatives of the area municipalities and police forces thereof. We want to make sure there is no misunderstanding insofar as pensions are concerned for the unified police force which has been established.

Section 18, as amended, agreed to.

Sections 19 to 24, inclusive, agreed to.

On section 25:

HON. MR. GOODFELLOW: Mr. Chairman, I move that section 25 of the Bill be amended as reprinted for consideration of the Committee of the Whole House.

The amendments to section 25 of the Bill provide:

1. That the transfer of the Riverdale Isolation Hospital to the Metropolitan Corporation will not be effective until January 1, 1957.

That is simply changing it from Royal assent, setting it to January 1 of next year.

2. That the provision giving the Metropolitan Corporation the right to contribute towards the administrative expenses of the Toronto and York Roads Commission shall be effective from January 1, 1954, so that the Metropolitan Corporation may contribute towards the expenses incurred during the last two years.

3. That the Metropolitan School Board may adjust maintenance assistance payments to boards of education in the Metropolitan Area in 1956.

Section 25, as amended, agreed to.

Section 26 agreed to.

Bill No. 108 reported.

HOSPITAL SERVICES COMMISSION ACT

House in committee on Bill No. 112, "An Act to establish the Hospital Services Commission of Ontario."

Sections 1 to 6, inclusive, agreed to.

On section 7:

MR. J. WINTERMEYER (Waterloo South): Mr. Chairman, I presume this is the appropriate place to ask the question which I directed to the hon. Minister of Health earlier. On examining sections 7 and 8, it becomes obvious that this commission will have jurisdiction over all matters pertaining to our current system of hospital grants, hospital maintenance and nursing schools, and, generally, all matters which currently are performed by our Department of Health, relating to hospital care and maintenance. In addition, those sections will permit the commission to pursue any health insurance programme.

My objection to these sections is one which I wish to make emphatically clear. I am not objecting to the principle of health insurance, as such, but I feel that these particular sections will limit our opportunity to establish a health insurance programme.

By the enactment of these sections, we will have delegated to a commission a large part of our current authority. I, as one private member, am not disposed to come here to preside at the liquidation of our authority, as such. It seems to me that all we will have to do is to form a highways commission, an educational commission, etc., and we will have little or nothing to do.

I am not opposed to a commission as such, but there is no indication in this

Bill that the hon. Minister of Health, or any other member of government, will have a seat on that commission. There is no assurance that the money we vote to the commission will be controlled by this House, in any form.

The Bill should ensure that the commission will be responsible to the House. The Estimates of the commission should be brought before the House, and we should have an opportunity to examine them and discuss them. In all probability, we will have to vote money to the commission, but we will have nothing to say as to how the money is to be spent.

This is demonstrative of the sort of thing the hon. leader of the Opposition suggested was wrong, when he referred some days ago to the general tendency to delegate powers to commissions. I acknowledge that is necessary at times, but I think we should be very hesitant in the use of such delegations. This is one instance where we are going too far. We have no assurance that this House will be consulted on any part of the administration of the hospitals commission.

Technically, of course, when this Bill is passed, the work of the commission will be divorced entirely from this House. I did not come to preside at the liquidation of the basic duties of this House. I acknowledge that there are precedents for this, and that in many instances, commission government has been good government. In this instance, we are going too far. I see no need whatever why we should unhesitatingly delegate powers to the commission, when we do not know whether or not there is going to be a health insurance programme.

We have heard a good deal of intelligent debate in the committee of health meetings, thus far, to the effect that we can finance the health insurance programme, by means of the collection of premiums. I know that the hon. Prime Minister is definitely opposed to that method of finance, as part of a health insurance programme.

HON. MR. FROST: Who said I was opposed to premiums? Did the hon. member say I was opposed to them?

MR. WINTERMEYER: The hon. Prime Minister will recall his statement at the committee on health meeting some time ago, that he was not going to permit this government to put in a hospital insurance programme, and finance it by means of the premium insurance system.

HON. MR. FROST: No, no, I did not commit myself at all.

MR. WINTERMEYER: Will the hon. Prime Minister rephrase it now? That was certainly the interpretation I placed on his remarks.

HON. MR. FROST: I think I made it perfectly clear. There are two methods of supporting such a plan. One would be on a premium basis, and the other would be from the general taxes, of which a sales tax would have to be a part. I thought I had made it entirely and abundantly clear that I felt the premium method was one which was more desirable, as we see it at the present time.

MR. WINTERMEYER: If that be the case, I am quite prepared to—

HON. MR. FROST: Support the Bill?

MR. WINTERMEYER: I interpreted the hon. Prime Minister's position as being exactly the opposite. It could be that in that respect I was mistaken.

I will make my point by saying that if we pursue a premium collection system, it is my personal opinion that we are going to integrate our current insurance companies to a larger extent than at the present time. I feel it would be very feasible, very good and very effective, to permit our insurance companies to do the collection.

If that be the case, what is to be done with the commission, and where will it stand? It seems to me this particular

Bill was prepared and introduced at a time when our thoughts had not been crystalized with respect to health insurance. I am not criticizing committee meetings as such, but I suggest there is no question but that there are still many basic problems which require to be solved, and which will be materially prejudiced by virtue of the terrific power we are granting to this commission.

It seems to me that two amendments at least are necessary. I am not suggesting the exact phraseology, but the tenor of the amendments should be such that we of this House have control over the expenditures by that commission, and have assurances of representation on that commission; and, secondly, that the Bill be sufficiently broad to permit any type of health insurance which we have discussed, including the financing of the programme by means of premium collection.

If we pass this Bill, what we will accomplish is simply an indication that, somehow, we are committed to health insurance. That seems to be putting the cart before the horse, as we have no conception at present as to what form the health insurance programme should take. I see a conflict between this particular Bill, and the ultimate form of the health insurance programme.

Essentially, my objection to the Bill is in the fact that we are delegating or giving up many of our powers. I was amazed to hear the hon. Minister of Health (Mr. Phillips) say he was not concerned. It seems to me that we should be very concerned.

HON. MR. PHILLIPS: How is the hon. member "concerned"?

MR. WINTERMEYER: The hon. Minister said he was confident the commission would operate very effectively under the jurisdiction and guidance of this government.

HON. MR. FROST: Of course.

MR. WINTERMEYER: This Bill will mean that we will have no authority to interfere with the working of the

commission. It seems to me that the government should be very concerned. Certainly, I as a private member am much concerned about giving up many of the powers which have been exercised by this House since Confederation, to a commission.

In regard to waterways and so on; these are new ideas and there could be some justification for creating commissions to undertake those projects. Here we are giving up certain things with which we have been connected for a long time. We have previously determined the amount of hospital grants. Now that is to be determined by the commission.

We have determined the regulations in regard to hospital nursing and so on: now that is to be determined by a commission. It is the same thing right down the line. We have given away a good part of our power to deal with health insurance in general. That is a bad tendency, and something that should be criticized by this group in Opposition.

Therefore, the issue I really wish to raise is the simple proposition that this Bill will take from us many of the powers we have at the present time, and I do not think that, as representatives of the people, we should be prepared to delegate those powers to the commission.

Section 7 agreed to.

Sections 8 to 14, inclusive, agreed to.

Bill No. 112 reported.

ONTARIO PARKS INTEGRATION ACT

House in committee on Bill No. 113, "An Act to establish the Ontario Parks Integration Board."

Sections 1 to 15, inclusive, agreed to.

Bill No. 113 reported.

THE PUBLIC HEALTH ACT

House in committee on Bill No. 135, "An Act to amend The Public Health Act."

MR. F. R. OLIVER (Leader of the Opposition): Mr. Chairman, I understood the hon. Prime Minister to say last night that the lawyer for the person who sought the injunction was consulted and his views formed part of the basis of the amendment moved last night. Is that a correct statement?

HON. A. K. ROBERTS (Attorney-General): Mr. Chairman, I have some remarks to make on different sections of this Bill, which will answer the question by the hon. leader of the Opposition.

Sections 1 to 4, inclusive, agreed to.

On section 5:

HON. MR. ROBERTS: Mr. Chairman, I would like to mention to the House, in relation to this amendment appearing in section 5, that the main purpose of this Bill is to provide that where any sewage project is constructed, maintained and operated with the approval of The Department of Health, in accordance with the terms and conditions imposed in any order, direction or regulation of that department, or of the hon. Minister of Health, or of the municipal board, it shall be deemed to be constructed, maintained and operated by statutory authority.

This means that the courts would not have power to grant an injunction to stop the operation of a sewage disposal plant to the inconvenience and detriment of all the inhabitants of the municipality.

Formerly, an action in the courts would lie where land was injuriously affected and an injunction could be obtained prohibiting the operation of the sewage disposal plant if a stream was polluted by the operation of such a plant even though the owner had suffered no money damage. This by reason of section 103 of The Public Health Act. That section 103 says:

"(1) No garbage, excreta, manure, vegetable or animal matter or filth shall be discharged into or be deposited in any lakes, rivers, streams or other waters in Ontario or on the shores or banks

thereof, and no industrial or other wastes dangerous or liable to become dangerous to health or to become a nuisance or to impair the safety, palatability or potability—"

and I must admit that word "potability" gave me a little concern. I see that the Oxford dictionary shows that it means potable or drinkable.

"---of the water supply of any municipality or riparian owner, shall be discharged into or be deposited in any of the lakes, rivers, streams or other waters of Ontario, or on the shores or banks thereof."

This subsection (1), the one which I have just read, does not apply to the discharge of sewage water into any of the lakes, streams or other waters or water courses of Ontario from any sewage project which has been constructed and is operated in accordance with the approval of the department and, where required, in conformity with the orders of the board, issued or made under the authority of The Public Health Act.

Where land is taken or is injuriously affected in the construction, maintenance or operation of a sewage project, the Ontario Municipal Board may fix the compensation to be paid. That will appear on page 4, subsection 13(d).

There is an appeal from the decision of the municipal board to the court of appeal on any question of law or of jurisdiction. This Bill does not interfere with an action in the courts against the negligent operation of a sewage disposal plant, and a person suffering damages could recover them in a court of law.

I have a further comment to make when we come to page 7, where there are further amendments with which we have to deal.

MR. OLIVER: Mr. Chairman, I think I read that Mr. Justice Stewart once said, that, in his opinion, the municipal board was not competent to do the work—to use a rather odd phrase—

which the courts were called upon to do in this instance.

He doubted the constitutionality and the competency of the municipal board to deal with the matters in the manner in which they were being dealt with by the court.

HON. MR. ROBERTS: I think that is quite so, Mr. Chairman, as the law was, and is until this Act becomes law. But the purport of this Act is to make it clear that the action now is by virtue of statutory authority. That was one of the reasons why, in the case mentioned by the hon. leader of the Opposition, the question of statutory authority is definitely in doubt.

Section 5, as amended, agreed to.

On section 6:

HON. MR. ROBERTS: On section 6, Mr. Chairman, on page 7 of the Bill, as the hon. Minister of Health said last night, he is going to introduce an amendment and perhaps I might make my comments after he has done so.

THE CHAIRMAN: That is subsection 7 of 6, is it?

HON. M. PHILLIPS (Minister of Health): Mr. Chairman, this deals with subsection 24 of section 6, which appears on page 7.

Hon. Mr. Phillips moves that section 6, subsection 24, be amended by deleting parts 2, 3 and 4 and substituting therefor the following:

"(2) Whether or not its operation is now stayed, every injunction heretofore granted against the corporation of the city of Woodstock restraining the corporation from discharging effluent from its sewage disposal plant is dissolved, and such disposal plant shall be deemed to have been constructed by statutory authority and shall be deemed to have been maintained and operated prior to the coming into force of this section by statutory authority.

"(3) Whether or not its operation is now stayed, every injunction heretofore granted against the corporation of

the village of Richmond Hill restraining the corporation from discharging effluent or storm overflow from its sewerage system is dissolved and such sewerage system shall be deemed to have been constructed by statutory authority and shall be deemed to have been maintained and operated prior to the coming into force of this section by statutory authority.

“(4) Nothing in subsections 2 or 3 affects the right of any person to damages or costs heretofore awarded in the action in which any such injunction was granted or affects the right of any person to claim for compensation or damages for land injuriously affected or for negligence or nuisance arising from the construction, maintenance or operation of any sewerage project whether arising before or after the date of trial of such action.

“(5) The Department of Health shall make or cause to be made an inquiry and investigation of the construction and operation of the sewage disposal plant and sewerage system mentioned in subsections 2 and 3 and may modify or alter the terms and conditions previously imposed as to the treatment or disposal of sewage and may impose additional terms and conditions in accordance with the powers and duties of the department under this Act.”

HON. A. K. ROBERTS (Attorney-General): Mr. Chairman, perhaps the hon. leader of the Opposition will allow me to add my remarks and then, if they are not satisfactory, he can question further. Subsections 2, 3 and 4 as they appear on page 7 of the Bill, have been struck out, and the subsections which are replacing them, in short, provide that the injunction granted against the city of Woodstock, as in subsection 2, and the village of Richmond Hill as in subsection 3, restraining them from operating their sewage disposal plants, be dissolved. The sections preserve the right of the litigants to collect any damages or costs awarded by the courts.

Subsection 4 authorizes the municipal board to fix compensation for land injuriously affected by the construction,

maintenance or operation of a plant, whether before or after the trial of the action. In other words, they can go back and establish damages, even though these actions have now been disposed of by virtue of the injunction.

Subsection 5, which the hon. Minister of Health mentioned a moment ago, provides for re-examination of the Woodstock and Richmond Hill plants by The Department of Health, with power to impose new conditions of operation.

It is our understanding that those subsections, in the form that I have just mentioned, and containing the substance of the matters as I have just mentioned, are quite satisfactory to the representatives of the litigants involved in the dissolution of the two injunctions.

MR. OLIVER: I do not know how much the amendments improve the Bill, Mr. Chairman, but they certainly change it.

HON. L. M. FROST (Prime Minister): Very considerably so, Mr. Chairman. The solicitors themselves raised those points, one of them being the disposition of the action which was tried here some time ago, as a result of which an injunction was granted. My recollection is that the trial judge allowed \$500 damages, but when the case went to the court of appeal the claim for damages was dismissed as being unproved and it might mean — and I think this is a very valid point raised by the solicitor for Mrs. Stevens — it might be ruled that that disposed of the action and that, if the injunction were dissolved, the woman would have no remedy whatever.

This amendment provides that these litigants shall be protected, insofar as their damages are concerned, or insofar as their lands have been injuriously affected, and compensation arising therefrom. In other words, they can go back to the very commencement of this nuisance — if we may term it such — or this damage, and can claim money damages.

The other point, and it, too, is a very important item, is that The Department of Health has passed, in days gone by, on both of these plants, but we quite agree that conditions may have utterly changed in those communities, and it should not be sufficient for the people or the councils of those communities to hide behind an authorization which may have been given several years ago and, accordingly, the solicitors asked that the competence of these plants to handle the problems they have, should be reviewed and examined by the department, and an order should be issued if necessary, which of course would bring the matter up to date. If the municipalities fail to comply with those matters, then they would be removed from the statutory protection, and be subject again to all the remedies the courts would grant.

I think that is a concise explanation of the situation. We have been very much concerned about this problem, and we have taken, we think, every step to protect both the overriding of public interest, and the right of individuals. Because it must be remembered that the people of Woodstock, and of Richmond Hill, and of I believe some 65 municipalities of Ontario which might be affected, must live and have health and sanitation, no matter what happens. That is the first consideration.

The second consideration is that these two municipalities and the 65 others, cannot enjoy these things at the expense of causing damage to individuals who hold riparian rights, and are owners of lands adjacent to these projects. Very great care has been taken to protect their interests.

As has always been the case in this Act, in establishments or plants which have been erected with the permission and approval of the department, it makes it plain that public interest must be paramount in the matter of injunction proceedings, and while the right of injunction proceedings and the powers are removed, and the purport of the Act is clarified, nevertheless the rights of individuals are protected from the standpoint of compensation and damages.

MR. OLIVER: I have just one more question, Mr. Chairman, relating to subsection 4. The matter of compensation under this Bill will be decided, I assume, by the municipal board. Is that right?

HON. MR. FROST: That depends, Mr. Chairman. If a municipality is guilty of negligence, the compensation for damages is fixed by the courts, and if a municipality fails to comply with the orders of the board in relation to the erection of their plants, they are subject to the orders of the board, including the right of injunction. But, if they comply with the orders of the board, then the compensation of these riparian and other owners is fixed by the municipal board.

MR. OLIVER: The question in my mind is that there seems to be no provision in there for any appeal from a suggested compensation level fixed by the municipal board.

HON. MR. FROST: That is right.

MR. OLIVER: Is there any appeal?

HON. MR. FROST: I do not think there is.

HON. MR. ROBERTS: Only on a question of law, Mr. Chairman.

MR. OLIVER: Well, is that not taking away some of the rights of the individual?

HON. MR. FROST: No, because if it were not for that provision, they would have no rights.

HON. MR. ROBERTS: No, Mr. Chairman, that is not taking away their rights, because as the law now stands, if it were a question of negligence they could proceed in the courts without going through the municipal board, and that right is not taken away. But as the law is, the other changes of maintenance and construction go first to the municipal board.

Section 6, as amended, agreed to.

Sections 7 and 8 agreed to.

Bill No. 135 reported.

CITY OF WOODSTOCK

House in committee on Bill No. 7, "An Act respecting the city of Woodstock."

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. 7 reported.

Hon. Mr. Frost moves that the committee rise and report certain Bills with amendment and certain Bills without amendment.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

MR. J. F. EDWARDS (Perth): Mr. Speaker, the Committee of the Whole House begs to report certain Bills with amendment and certain Bills without amendment and asks leave to sit again.

Report agreed to.

ADJOURNED DEBATE ON
TOLL ROADS

MR. JOHN ROOT (Wellington-Dufferin): Mr. Speaker, in rising to resume the debate on toll roads, I want to say it is a great privilege for me to have had the opportunity of working with the committee. We had a very able chairman in the person of the hon. member for London North (Mr. Robarts). He was courteous to all the groups who appeared before the committee. Everybody had a fair hearing, and he gave to every member of the committee ample opportunity to ask questions which drew out the information that made it possible for us to write our report.

It was a pleasure to work with the members of the committee, and I say that without qualification. One of the things which I will remember as long as I live is my association with the hon. members who were members of that committee.

I would like to say now that I was a little surprised when the report was tabled in the House, it being a unanimous report, to hear one of the members

of the committee apparently try to defeat the report.

Something was said about a gentleman's agreement. I want to say as far as I am concerned there was a gentleman's agreement. We travelled and listened to many groups. We approached the problem from various angles. After our public hearings were over, we sat behind closed doors and tried to arrive at a point where we would all be in accord. After considerable discussion we arrived at that point. That is the point where there was a gentleman's agreement, when we signed this report. This report was the gentleman's agreement.

As I listened to the speech of the hon. member for York South (Mr. MacDonald) the other day I was, to say the least, surprised and perhaps a little confused, so much so, that some hon. members may remember I left the House. I went out to get a copy of the Oxford dictionary. I looked up a term to which we have listened more than once in the House, "hugger-mugger." As I looked in the Oxford dictionary, I found that "hugger-mugger" is "confusion, confusedly, proceeds in a secret or muddled fashion."

I remembered that this committee discussed our report in secret. After discussing it in secret, and arriving at certain conclusions, we came into the House and heard one of the members of the committee try to confuse the whole issue. I have decided now I know what a "hugger-mugger" is.

I want to pay tribute to the secretary of the committee, Mr. "Don" Collins. In our secretary we had a very capable assistant, who gave valuable assistance to the committee as a whole, and to every individual member.

I want to pay tribute to the men from The Department of Highways, the hon. Provincial Treasurer's Department, and all of the civil servants of this province who assisted us in preparing the material which can be found in this report.

I would like to say that the people of Ontario should be very proud of the

calibre and quality of the men who serve us in our civil service.

As I approached the study of toll roads—and I think all members took the same attitude—I tried to keep an open mind. If I had any prejudice, my prejudice was not in favour of toll roads, and to support that I want to read what I said a year ago in this House on March 29, in regard to toll roads. It can be found in *Hansard* on page 1341:

“What about toll roads? There has been a considerable amount of comment on this subject in recent months but, as far as I am concerned, I have an open mind at the present time. I believe the hon. Prime Minister (Mr. Frost) intends to appoint a select committee to study this system of financing toll roads in the near future, and I would compliment him on that. If toll roads would assist in financing high-traffic roads where traffic warrants such a road, and would release money to build roads where municipalities are hard pressed, there might be some merit in the suggestion.

“Before we go to toll roads or to increased taxation on trucks and motor vehicles, I would suggest we look at where the taxes which are paid by the motorist are going now. I would like to refer to a chart which shows what the federal government received in 1953 from the automotive industry. On gasoline, tires, for replacements for motor vehicles and commercial trailers, through sales tax, excise tax and customs duty, the federal government collected, in 1953, \$237,094,109. I was unable to secure information as to how much they collected in taxes on oil and grease, on replacement parts, and batteries, so I cannot say what the total is, but that figure is the minimum.

“It is estimated that 40 per cent. of the gasoline used in Canada is consumed in Ontario, so it would seem to me to be fair to assume that 40 per cent. of this revenue was collected from the motorists in Ontario. In other words, \$95 million was collected by the federal government from the Ontario motorists in

these taxes, and that is a fair, bare minimum.

“Of this \$95 million, in the same year, the federal government paid for their share of the trans-Canada highway, the sum of \$5,258,975. There was \$90 million taken from motor vehicles which travel the roads of Ontario which went into the federal Treasury, and did not assist in any way to build the roads we need for our King's highways system.

“The *Globe and Mail* of February 14, 1955, published an editorial under the heading, “Milking the Motorist.” This editorial pointed out that in addition to the taxes I have mentioned, the federal government collected \$44 million in personal income tax from the people employed in the motor industry. For the year 1952, the last year for which the figures are available, the federal government collected \$53,505,000 in corporation taxes from the motor industry. I cannot say how much additional tax they collected from the people who work in the garages, service stations, and parts stores servicing the motor industry. If we knew that figure, I think we would find it would add up to a sizeable amount.

“Someone might ask: ‘What responsibility has the federal government towards roads?’ I would say the federal government uses our roads every day for the delivery of the mail, they will be using our roads in our defence programme, are interested in trade and commerce, and one of their great sources of revenue is the mining tax and without roads to service our mines, so they could operate, they could not hope to collect that tax.

“I feel it is fair to suggest that before we consider toll roads or increasing taxation on the motorists, we should see if there is any possibility of persuading the federal government to put back into roads some of the taxes they are receiving from the motorists who use the roads. We are aware the federal government does subsidize transportation systems every year. I have some figures which show the deficit of the Canadian National Railways, for the period 1931

to 1940, totalled \$473,568,941. I would point out that is only part of the story, that our waterways have been subsidized by 1954 to the extent of \$425,089,977. The 1954 *Canada Year Book*, page 839, shows that the capital investment of The Department of Transport in air services at March 31, 1952, was \$275,727,512.

"This means the federal government is using revenue which is collected from the motor industry to subsidize other means of transportation. I have no quarrel with them subsidizing any of our transportation systems, we need them all. But I do suggest, if the principle is sound to subsidize airways, waterways and railways, that the principle will be equally sound for them to assist in maintaining our roads. They should utilize some of the money which they are collecting from the motor industry and put it on the roads to make it possible for the motor industry to operate."

That is what I said a year ago, before I had any inkling that I would be on the toll roads committee. I just wanted to read that into the record to show that if I had any prejudice, it was not a prejudice in favour of toll roads.

The Ontario Motor League placed a brief on all of our desks, dated March 23. I want to quote from that to support the argument which I have just advanced:

"The governments of all the great countries of classical times, with the single exception of ancient Greece, were great road builders. The governments of all the modern great nations with the single exception of Canada are, directly or indirectly, great road builders.

"The government of Canada is incomparably the greatest beneficiary of the streets and highways of the nation. Not only does Canada's economy, including its peace and defence production, 'roll on rubber', but also there rolls into the Federal Exchequer from motor vehicle owners, as such, an enormous annual revenue because of the streets and highways. Last year that revenue comprised in motor sales tax \$91,-

671,300, in motor excise tax \$80,518,462, and in gasoline sales tax approximately \$50 million, or about \$222,189,762. The Canadian motor vehicle industry (exclusive of the trade) paid in wages last year \$153,630,847.

"As is evident, the automotive industry's and trade's contributions to federal revenue through corporation and income taxes are enormous. Yet the federal government's contributions towards the cost of building, improving and maintaining roads are relatively trivial, confined as they are to a few developmental roads, national park roads and sharing 50-50 the cost of building the trans-Canada highway.

"The passage of the record Federal Aid Bill by the United States Congress might well serve as a stimulus to concerted action by the provinces in their quest for road subventions, from the Canadian government, commensurate with the benefits that accrue to the nation from arterial highways and streets. It is salutary to remember that it was motor transport that saved this nation from paralysis at the time of the rail-road strike."

To obtain the opinion of a cross section of the province, we extended invitations to some 147 organizations and municipal groups to appear before our committee. To all hon. members of the Legislature we extended an invitation to appear before our committee, to hear their opinions and representations.

While these groups were preparing their representations, and making up their minds whether they wanted to appear or not, the committee travelled to several states of the United States, and visited several toll authorities, to find out how they operated and the results of their operations.

The toll authorities we visited in the United States pointed out some of the advantages of toll roads, and the careful studies which are necessary to make a road project financially sound. Toll financing makes possible the complete construction of a major traffic artery in a short space of time. That is one of the great advantages of a toll road.

You are building complete or main arteries before the development takes place; in other words, you are building through a low-cost area. This makes for a great saving in the costs of right-of-ways and of constructing interchanges, when the road is built, before industrial business and residential development takes place.

We found the same principle is true in Ontario. The cost of the bypass around Toronto is about double that of highway No. 400, which was built through open country.

The complete controlled-access feature of a toll road makes possible movement of a large volume of traffic at high speed with a maximum of safety. We were told that the accident rate on toll roads was about one-third that of other roads. I think it was when we were with the people connected with the New York thruway, we were told that the Vogel Trucking Company claimed they had saved enough in insurance premiums to pay the toll for using the road.

Another principle which they pointed out was that when operating toll roads, it is possible to build structures without increasing the gasoline tax, or the motor registration fees. The divided multi-lane highway costs from 5 to 6 times as much per mile to build as an ordinary two-lane access highway.

If these high-cost structures are financed by tolls it releases the provincial or state revenues for building access highways, and giving greater assistance to our municipal roads. The financial people with whom we talked in New York have been connected with 90 per cent. of the toll financing in the United States, and pointed out that very careful surveys are necessary when the road is to be financed by a state or provincial bond.

They also pointed out that the volume of traffic need not be as high on a toll facility if the province or state makes a financial contribution to the cost of construction, or backs a bond issue.

Something which pleased the representatives from this province was when

we were told the province of Ontario had the highest credit rating of any government in Canada. In Ontario, we found that many of the conditions which led various states to set up toll authorities exist in our own province. We found that our present sources of revenue, namely, gasoline tax and licence fees, have not financed our road construction.

If hon. members will look at our report, they will see a chart on page 30, which shows that we have a deficit of \$136,780,000. On turning to page 32 of the report, another chart will be found which shows that if we were to add 4½ per cent. interest to the debt which exists, and which has existed, our total debt as of March 31, 1955, would be \$523,872,000. In other words, our present rate of construction and of financing is leading to a deficit in the total cost of our roads.

Page 34 shows that we have a great backlog of highway and municipal work which has been built up during the depression and war years. This backlog will be shown by another chart to amount to \$1.75 billion. At our present rate of financing and construction, in 10 years this backlog will increase to \$2.85 billion. This is a forecast into the future. We were told that figure is not complete, at the present time, and in all probability it will be a great deal more than that.

Table I on page 9 shows that our traffic will nearly double in 10 years' time and approximately triple in 20 years.

These studies show that we must increase our building programme, or strangle the development of our province with traffic we cannot handle.

Where should we look for additional revenue to finance and accelerate the building programme? We could look to the federal government but I fear we will look in vain. In fact, some of the hon. members in the Opposition group in this House support the federal government in its stand with regard to the contributions which are given to Ontario.

We could raise the gasoline tax. Again, some of our Opposition members

have suggested that we should increase some of our taxes. I think, however, we all realize that the gasoline tax is not altogether fair.

In the rural areas of the province—and they make up the greater part of the province—they depend, in the main, on motor transportation. Many of our urban areas have alternative means of transportation, water, rail and air. We all know that in rural Ontario our road surface is soft for many months at a time, with mud in the spring and fall, and with snow in the winter months. We know that in rural Ontario the grades are not cut, and it takes no mathematician to realize that if one is driving on soft roads and on steep grades, one does not get the gasoline mileage as do other users, who are driving on our modern super-highways with a hard surface the year round.

Someone has suggested that we should raise the licence fee. We all realize that the licence fee is not altogether fair. Again, in rural Ontario, we have to depend, in the main, on motor transportation. They have not the alternative means of transportation in and out. They have no water transportation, they have inadequate rail transportation and in many places they have no air transportation.

In the rural areas we find that trucking people pay a full licence fee, yet they are restricted to half load for part of the year, while the same type of truck operating on super-highways is permitted to draw full loads for 12 months of the year.

We know that many of our motorists and truckers operate their vehicles for a small mileage, yet pay the same licence fee that is paid by people driving great distances and longer mileages.

Therefore, I suggest that neither an increase in the gasoline tax nor a licence fee would be altogether fair, having regard to the varied conditions in this province.

It seems to me that there is a limit to the amount of revenue which can be raised by a gas tax and a licence fee. It seems to me that toll roads, super-high-

ways and super-structures form a practical way of raising the revenue which Ontario needs, if we are to continue with the development of our province, and be in a position to give a helping hand to our municipalities.

Having regard to Ontario's limited population and its great area, it may be necessary for the province to build the basic access highways, or, at least, finance to that extent, and set the toll to finance the premium structure.

This formula would spread part of the cost of super-highways and structures over the province, and would eliminate the criticism that the user gets nothing for his gas tax and licence on a toll road.

It has always been a principle in travelling that if you want to ride in a parlour car you pay the premium or toll. If you want a sleeping car berth instead of a seat, one must pay for that privilege, as it does not go with the ticket. I think it is reasonable that we should not expect premium roads and premium structures unless we are willing to pay for them.

What is the logic if one is to argue that certain areas in the province are to have premium roads and structures paid out of general revenue and provincial debt, while other areas cannot develop, due to inadequate transportation arteries?

Under the toll principle which the committee has recommended, many of the unfair principles which accompany gasoline tax and licence fees would be eliminated. If the province adopts the principle we have suggested, the provincial revenue would build the basic road, while tolls would pay for the premium benefit. In other words, the user would pay a toll only when using a premium road or structure.

We have suggested that when the premium benefit is paid out of that type of revenue, the road should become a free road.

I agree with what other members of the committee said, that we had a limited amount of time to study this problem. That is the only regret I had, when we

tabled this report. I feel that we should have had more time to study the problem, and to let people know what we are up against in Ontario, if we are to be in a position to build the roads I think we all realize we need.

MR. A. J. CHILD (Wentworth): Mr. Speaker, I wish to join with my colleagues in making a few brief remarks on toll roads. I join with them in saying how very pleased I was to have had the opportunity to serve under such an able chairman, and work with such a very fine secretary. I would like to add that, generally speaking, I am opposed to any increase in taxes, unless it is a question of dire necessity, to assist the economy of the province and to keep that economy strong.

Our road system must keep abreast of the times, if we are to expand our industries and our services. I believe the roads in most cases lead the way in that development. The expansion which Ontario has been enjoying in its economy is due in no small measure to our road system. When a highway is constructed, both residential and industrial development mushroom almost overnight.

I recall the hon. member for York South (Mr. MacDonald) saying that industry which benefits by such development is one of the prime bodies which should participate in the payment for it. I would suggest, therefore, to the hon. member for York South, that if industry does profit in that way—and no doubt it does—labour profits also, because when industry prospers, additional jobs are made available to the working people. Unless industry has prospered, we can not be expected to enjoy the position we have enjoyed in recent years, with a high standard of living.

Those who are opposed to toll roads have said that such roads are more costly to construct than freeways. I admit that the actual cost of a toll road is somewhat higher when one takes into consideration the toll facilities. On looking to the future, it is safe to say that it would be cheaper to purchase land

now, than 5 years from now. In many cases, land in the vicinity of highways has doubled and trebled in the last 5 years. If that trend continues, one can see by simple mathematics that it would be preferable to purchase suitable land for toll roads now than wait for 5 years. The cost of land and materials and the cost of labour are very important in the construction of either a toll road or a freeway. I do not believe a toll road should be expected to carry its own financing 100 per cent. by means of toll charges. It would be preferable to have a super-highway, which might pay 75 per cent. of its cost, than to have a somewhat less perfect road such as highway No. 401. In other words, I would prefer to take 75 per cent. of the tolls from a road, and have another No. 400 highway, than to revert to single-lane highways such as we have been building in the past.

As the present gasoline tax and registration fees do not meet our needs, and as there is an ever-increasing gap, as far as the expenditure on highways is concerned, some means of taxation must be devised. I suggest that those who wish to use toll roads should pay for them, since no one is forcing the motorists to use them, but the motorists have the option of using a freeway. Therefore, the argument about people having to pay taxes is not a valid one.

We had presented a brief from the Ontario Motor League, which is violently opposed to toll roads, inasmuch as they said it increased the taxes of the motorists. Mr. Speaker, I would like to say that I have received a number of telephone calls from the Hamilton members of that association, and they were somewhat dismayed and alarmed to think that somebody had been making statements on their behalf, as they had not been consulted about it. From the number of telephone calls I have received from the Hamilton members of that association, I am inclined to believe now that the brief was the result of the thinking of a few directors, and certainly was not that of the total membership of the association.

THIRD READINGS

The following Bills, upon motions, were read a third time:

Bill No. 21, "An Act respecting the township of Stamford."

Bill No. 24, "An Act respecting the Society of Interior Decorators of Ontario."

Bill No. 58, "An Act to amend The Conservation Authorities Act."

Bill No. 74, "An Act to amend The Mothers' Allowances Act, 1952."

Bill No. 86, "An Act to amend The Public Lands Act."

Bill No. 87, "An Act to amend The Provincial Parks Act, 1954."

Bill No. 97, "An Act to amend The Training Schools Act."

Bill No. 99, "An Act to amend The Fire Departments Act."

Bill No. 100, "An Act to amend The Agricultural Societies Act."

Bill No. 101, "The Brucellosis Act, 1956."

Bill No. 102, "An Act to amend The Homes for the Aged Act, 1955."

Bill No. 103, "The Charitable Institutions Act, 1956."

Bill No. 104, "An Act to amend The Power Commission Act."

Bill No. 105, "An Act to amend The Niagara Development Act, 1951."

Bill No. 106, "An Act to amend The St. Lawrence Development Act, 1952 (No. 2)."

Bill No. 107, "An Act to amend The Municipal Subsidies Adjustment Act, 1953."

Bill No. 109, "An Act to amend The Game and Fisheries Act."

Bill No. 110, "An Act to amend The Labour Relations Act."

Bill No. 111, "An Act to amend The Workmen's Compensation Act."

Bill No. 114, "An Act to amend The Mining Act."

Bill No. 115, "An Act to establish The Department of Economics."

Bill No. 116, "An Act to amend The Financial Administration Act, 1954."

Bill No. 117, "An Act to amend The Provincial Land Tax Act."

Bill No. 119, "An Act to amend The Medical Act."

Bill No. 120, "An Act to amend The Highway Traffic Act."

Bill No. 121, "An Act to amend The Ontario Municipal Board Act."

Bill No. 124, "An Act to amend The Ontario Fuel Board Act, 1954."

Bill No. 125, "An Act to amend The Tile Drainage Act."

Bill No. 126, "An Act to impose a tax on the purchasers of fuel, other than gasoline, for use in motor vehicles."

Bill No. 127, "An Act to amend The Gasoline Tax Act."

Bill No. 128, "An Act to amend The Line Fences Act."

Bill No. 129, "An Act to annex Burlington Beach to the city of Hamilton."

Bill No. 131, "An Act to amend The Child Welfare Act, 1954."

Bill No. 136, "An Act to amend The Fire Marshals Act."

Bill No. 137, "An Act to amend The Liquor Licence Act."

Bill No. 138, "An Act to amend The Planning Act, 1955."

Bill No. 139, "An Act to amend The Public Commercial Vehicles Act."

Bill No. 140, "An Act to amend The Highway Improvement Act."

MR. SPEAKER: Resolved that the Bills do now pass and be intituled as in the motions.

The House, on Order, resolved itself into Committee of Supply.

ESTIMATES,

DEPARTMENT OF HEALTH

HON. M. PHILLIPS (Minister of Health): Mr. Chairman, before I present the actual Estimates, I would like to explain to the House something about our Estimates, especially that part relating to increased expenditures this year over last year.

The estimated expenditures of The Department of Health for 1956-57 amount to \$57,850,000. This is an increase of \$4,318,000 over last year's votes. In addition, there were Supplementary Estimates in both years to provide special grants to hospitals.

With this year's funds, the services of the several divisions of this department, so essential to the people of this province, can be continued and in some spheres expanded. The latter statement is particularly applicable in the fields of mental health, public and private hospitals, and the distribution of polio vaccine, where the greater part of the increased Budget will be required.

By the end of 1955, the Ontario hospitals were caring for more than 22,000 persons suffering from some type of mental illness. Between 1950 and the end of 1955, we increased patient accommodation by approximately 4,000 beds. This construction programme is continuing as rapidly as possible. Plans for 1956 should see 967 more beds put into service. At the same time, we are not neglecting renovations to the older hospital buildings.

In Brockville, a renovation and expansion programme has been going on for some time. Six new units, totalling 456 beds, are now complete. One unit was opened in November, 1953, and the remaining 5 during 1954. A total of 680 beds will have been added to this hospital when this construction is completed.

The new hospital at Port Arthur has already over 700 patients in residence, and its ultimate capacity will be 1,200 to 1,300.

Regarding the hospital training school at Smiths Falls, we have almost 1,600 patients in residence, and the ultimate complement will be between 2,200 to 2,400.

Construction of the Ontario hospital at North Bay started in the spring of 1955, and we have provided in our Estimates for the maintenance of this building in 1956-57.

At the Ontario Hospital in Toronto, 999 Queen St. W., the new medical, surgical, reception and diagnostic clinical building, with administration section, was completed in September, 1955. The building consists of 100 beds for patients, an extensive out-patient department, and other facilities. Other construction planned or in progress will provide 560 new beds at Woodstock, 500 at Kingston, 152 at Penetang, 300 at Orillia, as well as another hospital training school for mentally defective children somewhere in southwestern Ontario.

Actually, expansion, renovation, or new construction is going on somewhere in all of our Ontario hospitals at all times. The greater part of the additional \$3 million needed for the Ontario hospital service will be required for increased salary and maintenance costs. With more beds available, both of these items will go up accordingly.

For some years, the government has been exploring the causes of mental illness and endeavouring to find a way to detect such illness at an earlier stage, in the hope that fewer people will have to be admitted to hospitals in the years to come. To this end, a psychiatric service in general hospitals has been undertaken in several large centres, with a view to offering skilled diagnosis and treatment at the community level. This policy was not established until 1953 and gradually came into operation during 1954 and 1955.

We have not too many years of experience on which to base our findings, but reports from the several psychiatric units now operating in general hospitals indicate that not more than 5 to 20 per cent. of these patients will later require further treatment in our Ontario hospitals.

The Department of Health is asking for additional money for public hospitals. There are now under construction throughout the province 2,937 active treatment hospital beds and 475 chronic hospital beds. Construction

We received two briefs from the Hamilton area, one from the city of Hamilton, and the other from the county of Wentworth, and both were very much in favour of toll roads in our particular area. I think I would have support from the hon. member for Essex North (Mr. Reaume) for a toll road, based on a feasibility report, between Windsor and Fort Erie, joining up with the road from Hamilton to Toronto. Those would be the areas which would be most likely to pay 100 per cent. of their way as far as toll charges are concerned.

We did not have the opportunity to acquire as much information as we would have liked, as far as toll roads are concerned, and I would definitely support the recommendation that the committee have the opportunity of meeting again, making further observations and hearing briefs from other parts of the province, before a final report is brought in.

I noticed in today's *Toronto Daily Star*, this item:

SHOULD FILE AND FORGET REPORT ON TOLL ROADS

It was a half-hearted report presented to the Legislature by the special committee on toll roads. Though approving them in principle, it warily avoids recommending application of the principle in actual practice.

That was certainly not meant as a compliment, but I think it should be taken as one, because until we are through and have all the facts, I think it would be very unwise to place the government in a position of the committee making a recommendation.

In conclusion, I would like to say a word concerning the little discussion that arose regarding a "gentleman's agreement". As a member of that committee, I would have to support the hon. member for Bellwoods (Mr. Yaremko) and say that to my knowledge no gentleman's agreement was made, nor did I at any time hear one being discussed. I think the hon. member for York South (Mr. MacDonald)

was definitely out of order in making such a statement. It was a unanimous report, and it should have remained as such.

MR. A. J. REAUME (Essex North): I would like to say that I agree with everything the hon. member for Wentworth (Mr. Child) has said, and what has been said by other hon. members, with the exception of the hon. member for York South (Mr. MacDonald). Getting back to this business of a "gentleman's agreement", as I understand it, if there was any member of the committee who did not agree with what was in the report, he had the right to file a minority report, but I took it when we signed the report we were all in favour of it. I think if anybody broke the agreement at all, if we had one, it was the hon. member for York South. There is no question about that at all.

In the early days of the meetings, we established what I would call an "open door" policy. We invited many different groups of people to come, and everybody was welcome. Many people did come, and of the many who came, there was only one person, a Mr. Hastings, who, as far as I know was the only one who was absolutely opposed to the idea and principle of toll roads. However, there were many other groups who came and we were cautious about it.

We approached it from the angle of finance, how we might in some way be helpful in the way of taking the load off the back of the government, and helping with a scheme to build highways.

I think one thing which was most outstanding was the fact that the tourist trade coming from the United States of America has been declining. That formerly has been one of the major industries of the province. I think we all should keep our eye on the business of getting people to come over here, not with the idea of securing money from them, but making them welcome, by having good roads and highways, and in that way, we would attract many

people from the United States to spend their summers here. I think if we look at the figures, we would find there are more people going from Canada, and spending more money in the United States, than there are people coming from the United States and spending money over here.

Regarding the principles as contained in this little green book, I am of the opinion they are good. We have made no final agreement. There is no real binding clause at all in the report. I think the chairman, at the very outset of the meetings which were held — and at every subsequent meeting — made it quite clear that anybody, whether for or against, would have the opportunity of coming before the committee and filing a brief, or speaking, and for many, many hours we sat and listened to arguments pro and con. The work which was done by the chairman of the committee and the secretary was outstanding in my opinion, and I agree with others who have spoken, that we should be allowed to go back and finish our job. It is a big job. We have many, many weeks and months of hard work ahead of us.

HON. L. M. FROST (Prime Minister): I agree with the hon. member for Essex North and the others who have spoken on the various phases of this subject.

Therefore, Mr. Speaker, I beg to move, seconded by Mr. Porter:

THAT, the select committee of the House appointed on September 8, 1955, to study all matters relating to toll roads and to report on the application of the same to certain areas having regard to the needs of the province of Ontario, be re-appointed.

And THAT the select committee have authority to sit during the interval between sessions and have full power and authority to call for persons, papers and things and to examine witnesses under oath, and the Assembly doth command and compel attendance before the said select committee of such persons and the production of such papers and things as the committee may deem necessary for

any of its proceedings and deliberations, for which purpose the hon. Speaker may issue his warrant or warrants.

Said committee to consist of 11 members as follows:

Mr. Robarts (chairman); Messrs. Auld, Root, Child, MacDonald, Jolley, Mackenzie, Manley, Reaume, Sandercock and Yaremko.

Before the motion is put, Mr. Speaker, may I say that I have looked at the resolution in the light of what some hon. members have said about the ton-mile charges, and matters of that kind, and I feel the terms of reference are broad enough to permit the committee to look into that feature of highway revenue. As a matter of fact, the ton-mile charge is actually a toll charge in many ways; therefore, I think, as I say, the terms of reference are broad enough to enable the committee to investigate those matters.

The department of the hon. Provincial Treasurer has already arranged to have Mr. Philip Clark, the comptroller of revenue, and Mr. George Gathercole, the deputy minister of economics, visit the state of Oregon, and they will be able to give to the committee, within a very short time, a very complete résumé of what is being done in that particular area.

It will be for the committee then to carry on such other investigations as it may deem necessary, in regard to this very important subject.

Motion agreed to.

HON. MR. FROST: Mr. Speaker, it is my intention to present a motion to the House reconstituting the committee on smoke control and air pollution, but if there are any hon. members who desire to speak on its interim report, I will withhold the motion until they have spoken.

It is clear, from the interim report presented by this committee, that it is necessary and desirable it be reconstituted, and I will so move, when all hon. members, who desire, have finished speaking on the subject.

INTERIM REPORT, SELECT COMMITTEE ON SMOKE CONTROL AND AIR POLLUTION

HON. MR. FROST: Mr. Speaker, I beg to move, seconded by hon. Mr. Porter:

THAT, the Select Committee of the House appointed on September 8, 1955, to examine existing legislation and practice in relation to smoke control and air pollution in Ontario with particular reference to the installation and maintenance of equipment to control smoke and air pollution and methods and ways of extending public information in connection therewith, be re-appointed.

And THAT the select committee have authority to sit during the interval between sessions and have full power and authority to call for persons, papers and things and to examine witnesses under oath, and the Assembly doth command and compel attendance before the said select committee of such persons and the production of such papers and things as the committee may deem necessary for any of its proceedings and deliberations, for which purpose the hon. Speaker may issue his warrant or warrants.

The said committee to consist of 9 members as follows:

Mr. Cowling (chairman); Messrs. Brandon, Elliott, Kelly, Macaulay, Morningstar, Murdoch, Gordon and Thomas (Oshawa).

Motion agreed to.

REPORT, SELECT COMMITTEE ON CERTIFICATES OF TITLE

HON. L. M. FROST (Prime Minister): In relation to the report by this committee, of course, there are hon. members who want to speak, and they should feel quite at liberty to do so.

May I say to the House that the report with a draft Bill has been received. We were all very much interested in the comments made in the report by the hon. member for Riverdale (Mr. Macaulay), the hon. member for Wa-

terloo North (Mr. Wintermeyer), and it is my recollection other hon. members spoke on the report favourably, and on the recommendations of the committee.

On the other hand, I may say that I was very much interested in the very reasoned and painstaking address made by the hon. member for Waterloo South (Mr. Myers), and at the care he apparently had taken to fortify his arguments.

It is quite plain there are reasons for and against such legislation. I would like to weigh these matters very carefully, and I would not be prepared, as the leader of the government, to introduce the Bill which has been the subject of investigation and study at this time. I think such a Bill could very properly be introduced at the next session of the Legislature, and thus provide time for the whole matter to be most thoroughly discussed. That would be the procedure I would like to follow, despite any debate which may follow my remarks.

On the other hand, if hon. members desire to speak on the subject, I trust they will do so without restriction. If no hon. member desires to speak, then I move for the discharge of the Order.

Hon. Mr. Frost moves that Order No. 54 be discharged.

He said: In so moving, Mr. Speaker, I would like to thank the members of the committee for the very painstaking consideration they have given to the subject. For the information of the hon. members newly in the House, may I say that the subject matter was first introduced in the session of 1954, at which time a select committee of the House was appointed. It produced a draft Bill which was part of its report, when it reported to the House in 1955—a year ago.

At that time, in giving first reading to the Bill which was then produced by the committee, it was not intended, of course, that the Bill should go beyond that stage, as it was necessary for sufficient time to be provided for the Bill to

be carefully studied by those interests in Ontario which are concerned with this matter. The procedure adopted at that time was fully justified by what has taken place since. As a matter of fact, the Bill was studied by many people.

The proposal for a central registry, and the reforming of our practices in that regard, was advanced by certain persons who were very greatly interested. On the other hand, the fact that the Bill was given this study by various persons and interests in the province, upon the re-establishment of the committee, has produced very great changes in the Bill which was introduced a year ago. I am sure the members of the committee, whom I heartily thank for the services they have performed, will agree the whole subject should be given a most thorough study by the law officers and the departments concerned, and, with the consent of the House, we will

allow the matter to stand until next session.

Motion agreed to.

Order No. 54 discharged.

HON. MR. FROST: Mr. Speaker, although it is 6 o'clock, I would like at this time to call Order No. 42, and with the calling of that Order, Mr. Speaker may declare it 6 o'clock, and we can proceed at 8 o'clock this evening with the addresses on the amendment to the motion that Mr. Speaker do now leave the chair, and the House resolve itself into Committee of Supply.

The House, on Order, resolved itself into Committee of Supply.

MR. SPEAKER: It being 6 of the clock, I do now leave the chair. The House will re-assemble at 8 o'clock.

It being 6 of the clock, the House took recess.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Tuesday, March 27, 1956
Evening Session

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

TUESDAY, MARCH 27, 1956

8 O'CLOCK P.M.

The House resumed.

THE BUDGET

MR. G. C. WARDROPE (Port Arthur): Mr. Speaker, this ovation is really overwhelming. In speaking on the Budget debate, first of all I want to congratulate the hon. Provincial Treasurer (Mr. Porter) on a Budget which I believe is a highlight in the annals of this province. I do not think any other government has produced one of similar status. I am sorry the hon. Provincial Treasurer is not in his place. When we consider that it is the 13th consecutive surplus this province has shown, and that there are no new taxes, sales or otherwise, it is a highlight in government in this country, and throughout the world.

I do want to pay personal tribute to the hon. Provincial Treasurer for the logical way in which it was presented, the sound, clear thinking he showed, and the caution at all times which he displayed in not making overstatements. In fact, he showed he is a sound administrator, and has a pleasant, forthright approach to this province's problems.

When we come to think that we are governing 5.25 million people, spending upwards of \$500 million a year, and contemplate the expenditure of some \$8 billion over the next 15 or 20 years, we really should be very serious-minded about the tremendous responsibilities that our position as legislators in this province gives us.

Now, I would like to tell the hon. Provincial Treasurer I have been very complimentary to him, and it is only the fear of taking too much time which prevents me from repeating those things which I feel so deeply regarding him in his excellent presentation of the Budget to this House.

I have heard a great deal about welfare, and some have intimated this government has been dodging welfare services in this province. When we realize what the hon. Minister of Welfare (Mr. Cecile) proposed to us the other night, by way of old-age assistance, homes for the aged, special home care, mothers' allowances, unemployment relief, and all those other things, I think we are in the lead as far as welfare services in this country are concerned.

We are the ones who are pioneering health insurance in this province. I just want to say, Mr. Speaker, we have had the fortitude to propose a plan which will be a pattern for all Canada.

Mr. Chairman, if you look back through the record of this government, you will see they have never undertaken anything they did not finish, and this is another job that they will stay with until completion.

It was amusing to me to hear the new terms being brought out in connection with health-insurance plans. Years ago, when there was a great deal of sickness, it was called "plague." A few years ago, it was known as an "epidemic" and I hear, in the very august body of the committee on health, it is now a "catastrophe" and they are talking about "catastrophic insurance."

Mr. Speaker, that is "over my head." I believe in the last few days, I have seen some would-be amateur actuaries at work in that health committee, and I think it would be better for them to leave it to wiser heads to work out a plan which would be beneficial to all our people, and would be better for this government which has done so much in the past for the people of this province.

I have also heard "a lot of baloney," Mr. Speaker. I have heard some people say this government should do it themselves, and not wait for the Dominion government. This province has had to take the initiative in a great many things, and when we hear people speak of the Dominion government giving \$60 million to this health insurance plan, I would like to ask the Opposition from where does that money come? We give them the money in very large quantities from this province, and they return it to us in small amounts, in fact, as little as they possibly can. That is a true picture of what the Dominion government is doing to assist us in most of these services.

I was listening to a Bill which the hon. Attorney-General (Mr. Roberts) brought in the other day, The Fire Marshals Act, and I would like to make a suggestion to him. I was at a fire the other night and noticed the men in uniform, many of them returned soldiers, and I would like to see all the firemen in uniform in this province wearing their service ribbons. I think that would be a good thing, and I would like to see it carried out.

Another thing I would like to see is a picture of Her Majesty The Queen in all our court houses throughout the province. A short time ago I attended a naturalization court in my city, and in telling them of the benefits of Canadian naturalization, I turned to talk about our beloved Queen, expecting to see a picture there; instead I found a blank wall. I think in all our court houses there should be a big picture of Her Majesty gracing the walls.

Another thing I would like to see is our naturalization courts made much

more impressive. We hear about our "ethnic groups", and the institutions for our new Canadians, but I think, in most cases, our naturalization courts are rather stuffy, they are not made impressive enough, in my opinion.

If you have ever seen a group of new American citizens being naturalized you will recall a band playing, a flag flying, a salute of guns, and one of the dignitaries makes an address telling them how fortunate they are to become American citizens. It is most impressive, and something that remains in their memories for life.

I think our naturalization courts should be made much more impressive in this country, to impress our new Canadians as to just what they have acquired by Canadian citizenship, which protects them in every country of the world and provides them with the best opportunities for a full life. I would like the hon. Attorney-General to take that under advisement.

To get back to the Budget. One of the most important statements made was what we are striving to do is to see that an indispensable ingredient of stability — public confidence — is well maintained. That, to me, is a most important statement. I believe this government, in its years in office, has maintained public confidence by being cautious and careful in governing and in all their dealings with the public, and that confidence has been repeatedly demonstrated at the polls. I think one of the great assets of the hon. Prime Minister (Mr. Frost) is that he instills public confidence in this government, and maintains that stability which is so necessary for good government in this province.

I have heard many remarks about our civil servants which, to me, were derogatory and I want to say that in my dealings with this government, and with prior governments, I have found civil servants to be real public servants in the way of public relations, courtesy and assistance. When you go around this and other buildings you are met with courtesy, and with a feeling they want to do something for you, and it is really

a pleasure and I want to congratulate, especially you, Mr. Speaker, on the choice of civil servants in your office. It is always a pleasure for me to go into your office with my constituents, and note the courtesy which is extended. I would say that our civil servants are second to none in the world, and I want to take this opportunity to thank them for their kindness to me, and the courtesy with which they have received me.

I want to mention one other thing, before I get into the main part of my address. My ego has been inflated all day when I learned that I was going to speak, because the time was getting shorter and shorter, and the complimentary remarks I was hearing were becoming increasingly frequent.

Someone mentioned to the hon. Minister of Highways (Mr. Allan) the necessity for spending large sums of money on salt, and I wish to say that if it were not for salt and calcium chloride, in my end of the province in the fall, winter and spring, all traffic would stop. We cannot have enough calcium chloride used on our roads in our area, and I certainly hope this is one place where the hon. Minister of Highways does not try to economize. That is one thing we need, and which we have to have to keep our transportation moving, and salt is one item upon which money is well spent in the Highways Budget.

Mr. Speaker, we in the north are going to make our contribution to that stability about which I spoke, and which the hon. Provincial Treasurer mentioned — public confidence — in return for what this government has done and is going to continue to do for us. We know — and I am speaking for every hon. member from a northern constituency when I mention these things — that in the north country, we will be a mighty pillar supporting the economic progress of this nation, and we will see to it that we will make a contribution to that stability for what has been done for us in great measure.

There is a Bill just introduced for a water resources commission, and we can make a great contribution to that.

The long talked of plan to provide southern Ontario with water from the Great Lakes began to take form when the Legislature set up the Ontario Water Resources Commission.

It is estimated that in the next 20 years the commission will spend as much as \$2.4 billion to create pipe lines and sewage disposal facilities throughout that part of the province. Not only will the water be used for the ordinary domestic purposes but it may also be used for irrigation.

All that means a great amount of water will be taken out of Lake Huron and Georgian Bay; so much possibly, that it may have an effect on the amount flowing over Niagara Falls, unless it is drained back into Lake Erie as some of it probably will be, but not likely all.

It may be remembered that when the Chicago "water steal" was a subject of discussion and protest some years ago, it was largely due to the fact that it was being diverted for so-called sanitary purposes to the Mississippi River. The question comes up: will there be objection to the diversion of water from the Great Lakes, regardless of the fact that most of it at least will go back? Whatever amount is not returned above Niagara Falls will have a bearing on power production.

It could be that in time there may be a further diversion of water from the Albany watershed into Lake Superior, adding to the amount now coming from the Ogoki into Lake Nipigon. The great Albany River is only another 25 miles or so away. A contemplated expenditure of \$2.4 billion in 20 years would seem to be sufficient to include a new outlet for at least part of the Albany flow.

The Nipigon River before long may become still larger. And perhaps that would add to the Thunder Bay power supply, too. More will soon be needed here and sources are scarce.

This situation should be investigated.

A population of 500,000 for north-western Ontario in the next 20 to 25 years is not inconceivable, based on the brisk growth of established centres and the birth and blossoming of new communities in Thunder Bay, Rainy River, Kenora and Patricia districts that comprise the big half of the province.

Augmenting the natural growth of the region will be increased population from the greatly accelerated use and more diversified processing of the forests, discovery and development of new mineral deposits, and more land settlement to supply the expanding northwestern Ontario market.

Fort William-Port Arthur and their suburban and semi-suburban areas are now approaching the 100,000 mark.

Atikokan, centre of the great Steep Rock and Caland iron ore mines, leaped from a population of 300 in 1943 to 5,500 in 1955. It forecasts a community of 18,000 to 20,000 before the end of 20 years.

Fort Frances, Kenora, Dryden, all centres of expanding forest products industries, have registered solid population gains and are expected to match or exceed the overall average.

A new forest industry at Sioux Lookout and revival of similar operations at Nipigon, both anticipated, will give these communities sharp new stimulus. Intensive exploration and development of new mines are bound to spark Geraldton and Beardmore.

What of the towns yet unborn? They will rise to dot the map of the northwest, to join the new mining centre of Manitouwadge, the forest towns of Red Rock, Terrace Bay and Marathon. Born they will be as the Canadian Shield yields its secrets and the engineer, the scientist and the plain pioneer march full stride into the nuclear age to develop this great section of Canada.

As to forests, northwestern Ontario's 10 pulp and paper mills produce more than one million tons of forest products annually with a gross value of perhaps \$150 million. In the past year, expansion programmes were completed,

well under way, or launched, amounting to about \$75 million.

Newsprint industry leaders predict that Canadian production will be doubled within the next 20 to 25 years to meet world demand. In this huge development the industry of the northwest should share fully if it successfully meets these problems: availability of timber, high labour and transportation costs, lack of access roads, availability of electric power.

We have the trees. Adequate raw material for further expansion is assured by the forest resources inventory. Of its accessible conifer stands, the annual tree harvest is a fraction of the allowable cut. Hardwoods utilization is negligible.

Based on the recent forest inventory, the Ontario government is embarked on a permanent programme covering forest protection, access and management. It embraces forest development roads, far-flung reforestation, intensified efforts to utilize more hardwoods and close partnership with the industry to broaden the range of its products.

The next 25 years should witness tremendous strides in forest products research. It is reasonable to expect that the forests of the northwest will provide the raw material for district plants manufacturing chemicals and insulation, plastics, explosives, textiles, plywood and numerous building materials and packages. Says a development engineer:

The longer we work with the technology of wood, the more amazed we are at its remarkable composition, its versatility and its use-potential. Through applied industrial research, scientists and engineers have already developed more than 4,000 products from this miracle material.

Northwestern Ontario is ready for that kind of development.

Its forest prospects industry, employing 17,500 in mill and woodlands operations, with a gross payroll of about \$75 million, should be doubled in the next quarter century.

Northwestern Ontario is one of the major pulp and paper producing areas in the world. Its greatest development has taken place over the past two decades, and in payrolls, personnel and production it is the bulwark and backbone of the region's economy. The forest products industry has created 3 robust communities within relatively few years, added immeasurably to the growth of 5 established centres, and will play an even greater part in the future economy of the northwest.

How this future growth of the industry may be best accelerated on sound and orderly foundations is discussed a little later on by the northwestern Ontario section of the Canadian Institute of Forestry, an organization at once authoritative and experienced, with the well-being of both industry and forest resources at heart.

While no new mills have been established in the past few years, existing plants are completing or have begun programmes of expansion and improvement totalling more than \$75 million. Prospects are considered bright for construction of at least one new mill within the year ahead. This project alone would involve at least \$50 million.

From Marathon on the east to the Manitoba boundary on the west, this great section of Ontario has 10 producing mills at Marathon, Terrace Bay, Red Rock, two in Port Arthur, two in Fort William, Dryden, Fort Frances, and Kenora. These mills produce most grades of pulp and paper products except tissues. To name a few: bleached sulphite by Marathon and Terrace Bay mainly exported to the United States market; Red Rock producing newsprint, unbleached kraft pulp and kraft liner and corrugating material; Provincial Paper, fine papers and bleached and unbleached sulphite; Abitibi and Great Lakes mills at Port Arthur and Fort William, mainly newsprint; Dryden (Dryden Paper), all grades of kraft wrapping papers, liner and corrugating mediums and unbleached kraft pulp; Fort Frances (Minnesota and Ontario), newsprint, groundwood printing papers and converting; Kenora

(Minnesota and Ontario), newsprint and unbleached sulphite pulp.

E. Lorne Goodall, president and general manager of the Dryden Paper Company Limited, says:

This is an imposing array of mills and products, with a large percentage of the total production of Canada. It has been built up due to its proximity to forests but handicapped by high freight rates. It has been the backbone of the economy of the district and will continue in this position.

It has a potential for future growth, but that future growth will depend to a great degree on low costs being maintained, how we can reduce the costs of handling our pulpwood to the mills, how closely management and labour can work together so that both can enjoy prosperity without one or the other pricing themselves out of the market, how closely industry and The Department of Lands and Forests can work together without prohibitive legislation, and how freight rates can be reduced to reach the big consuming markets of the world.

The vista ahead is almost limitless, if the factors referred to are controlled to place the area in a strong competitive position. Only a fraction of the annual allowable cut of coniferous forests is being harvested, while utilization of hardwood species is negligible. Great tracts of timber have reached maturity.

There are more than 4,000 wood, wood fibre and wood chemical products now manufactured on this continent, indicating the diversity of industry possible from the great forest resources of the area. With cheaper transportation promised by the seaway, growing populations of both Canada and the United States, bold and dynamic leadership of industry and government can widen the horizons of the northwest's forest products industry infinitely.

We should build access roads. Because the floating of logs is the cheapest and often the only available means of moving them to the mills, the hardwood species of poplar and white birch, wherein lies

the potential for wood processing expansion, are not presently harvested in any substantial volume. There is a definite need for trunk roads, suitable for heavy trucking, before any large scale hardwood development can take place. These roads have been called "forest access roads," and their construction, essential to the development of the region, is a worthy step meriting immediate implementation by provincial and federal agencies. Read what Ambridge says.

Until approximately 1953, the export of pulpwood was a very large business in the region, representing possibly close to \$15 million in peak years. This trade has dwindled substantially. As an indicator of this decrease, the Port Arthur district exports of pulpwood now represent a value of just a little over \$3 million annually, compared to over \$6 million in 1952. Due to government regulation and high freight rates at this end, and the development of the pulping of hardwoods in the United States, this business is shrinking rapidly. After becoming mature, forests deteriorate and rot back into the ground. It is, therefore, sound from economic and forestry points of view that unmanufactured wood be exported to available markets until local manufacturing plants are established. Such export practices should not be permitted to deplete the capital growing stock of the region, except for salvaging products which would otherwise be wasted. Let us manufacture our resources to their ultimate in Canada to give more work to Canadians.

Availability of power: The accessible hydro-electric power available in northwestern Ontario is approaching complete development. One additional hazard to the establishment of new pulp mills may be lack of electric power. In the long term planning for the development of this area, all potential power sources will have to be explored.

Forest properties anywhere can be efficiently handled only by the application of a high degree of scientific knowledge and technical skill. Formal management plans have been prepared for the forests of the region by competent

professional foresters possessing these skills. This major and progressive step toward proper and adequate management is most highly commended. Since forest culture and treatment is an art, its practice cannot be defined by Statute to apply without variation throughout an area as divergent in forest, market and social conditions as is the province of Ontario.

The proper treatment for any particular forest can be directed only by competent professional men, after giving full consideration, right on the spot, to all influences affecting the forest at that time. This premise at once implies the decentralization of regulatory authority.

Some factors complementary to the attainment of sound management of forests include:

(a) Operational plans. The realistic short-term operational plans within the framework of any formal management plans should be prepared and carried out.

(b) Forest protection. Action necessary to protect against fire, insects and disease will be increasingly vital as industry expands to full utilization of the forests. Most losses from insects and disease are due directly to forests not being harvested before they become over-mature. These losses and also fire losses will be minimized as the forest area is developed. There is no room for complacency in forest protection. The effort will, therefore, have to increase in efficiency and intensity as forest-use development occurs.

Development of northwestern Ontario, soundly based on a manageable and renewable natural resource such as the forests, can progress swiftly and can amplify the general surge of the Canadian national economy. The pace of this development will be governed principally by the extent to which basic circumstances are recognized, understood and, where necessary, modified or corrected.

Minerals: What of our mineral resources?

Already an important source of iron ore, northwestern Ontario will become

in the next 20 to 25 years one of the most important producers of high-grade, direct-shipping ores on the continent. Tremendous developments are under way.

Pioneer in the northwest, Steep Rock Iron Mines Limited shipped 2,265,555 tons valued at nearly \$25 million in 1955. By 1960 its production will climb to 6 million tons and ultimately to 8.5 million tons, worth more than \$100 million, 4 times the 1955 total.

Caland Ore Company, subsidiary of Inland Steel Company, now embarked on a \$50 million development programme on an ore body leased from Steep Rock, will ship its first iron ore in 1960 and ultimately produce 3 million tons per year. Its ore deposit is expected to supply half the requirements of the big American steel company.

The Steep Rock area is, in fact, a range rather than a mine, and further exploration is expected to determine additional hundreds of millions of tons of rich ore to supply this continent for generations.

Iron Bay Mines plans a \$50 million development of low-grade ore at Bruce Lake, near Red Lake, to produce ultimately 3 million tons annually of pelletized iron concentrates.

From the Manitouwadge, Shebandowan-Kashabowie and Werner-Rix Lakes and in the Kenora district, future annual production is scheduled of 40,000 tons of copper, 60,000 tons of zinc, and lesser amounts of nickel and cobalt.

The decade ahead is expected to witness great developments in lithium and perhaps uranium in the Nipigon Lake-Beardmore area, and in nickel and uranium in the Shebandowan and Kenora regions.

Nine gold mines, principally concentrated in the Red Lake area, producing about \$20 million yearly, would be doubled in number if gold increased in price.

Continued widespread search inevitably will uncover rich new deposits of

ore, while technological advances and market demands should bring new processing plants to the northwest.

Iron Ore—a key to the future: Listen to the story of Steep Rock.

When he went to Steep Rock in 1938 as a young engineer, M. S. Fotheringham, now president of Steep Rock Iron Mines Limited, even then was impressed by the fact that Canada was paying out the entire value of the gold it produced to import iron and steel products. Gold then was our leader in the mining industry. Times are changing.

In 1954, the value of iron ore produced at Steep Rock alone exceeded the dollar value of production from the largest gold mine in this country. It will not be many years before Canada's iron ore production has a value of around \$400 million. That comes close to the combined value of all nickel, copper and gold produced in Canada in 1954.

A major factor in the swiftly-expanding development of Canada's iron ore resources has been and will continue to be the Steep Rock range. Since it began producing in 1945, it has shipped nearly 13 million tons valued at more than \$110 million. In record-breaking 1955 it shipped 2,265,555 tons, more than a million tons over 1954, worth approximately \$25 million.

By 1960, Steep Rock Iron Mines Limited expects to ship more than 6 million tons worth approximately \$50 million. Ultimately, the value of its annual production is expected to reach 8.5 million tons, worth \$100 million, 4 times the 1955 total.

These are box-car figures that indicate the tremendous importance of Steep Rock in the growth of northwestern Ontario, in the economy of Canada, and in the international iron ore outlook.

Here are more: Steep Rock's payroll in 1955 was \$4.5 million. By 1960 it is expected to be \$13.5 million and ultimately \$16 million. In 1955 it paid \$3.1 million for rail haulage of iron

ore; the freight bill will total \$7.4 million by 1960 and ultimately between \$11.5 million and \$13 million.

Back in 1943, in Steep Rock's infancy, the nearby railway point of Atikokan was a hamlet of 300 population. Its municipal assessment was \$65,000. It is now a vigorous town of 5,500 with an assessment of \$5 million. By 1960 it will have a population of from 12,000 to 15,000, and ultimately will be a thriving city of 15,000 to 20,000. By 1960 Atikokan's assessment will be at least \$10 million and may reach \$13 million. Its ultimate assessment is estimated between \$13.5 million and \$18 million. Retail trade volume in Atikokan last year amounted to \$7 million. It will more than double in the next 5 years and ultimately may reach \$20 million.

The fabulous saga of Steep Rock now is well known and need not be repeated here. Many Canadians, and the spur of war, made the development possible. Bold and brilliant engineering met the unique challenges involved in diverting rivers, draining large lakes and removing millions of cubic yards of lake bottom to make the rich deposits of iron accessible for mining.

The company's consulting engineer has reported estimated ore reserves to 1,000 feet of depth at 288.1 million tons, of which 184 million are in the area directly owned by Steep Rock and 104 million tons in the area leased to a subsidiary of Inland Steel Company. Ore is known to exist at depths greater than 2,100 feet and is expected to persist to much greater depths.

Because of the considerable extent of the property, to date only 5 of the many areas geologically favourable for ore deposition have been explored in any detail. The ultimate resources may total many hundreds of millions of tons. But on the basis of present estimates, only to a depth of 1,000 feet, Steep Rock and its lessor could produce at the rate of 8.5 million to 10 million tons annually for a period of 25 years.

Augmenting the prodigious future output of Steep Rock Iron Mines, the

Inland Steel Company of the United States now is engaged in a mammoth development programme on property leased from the pioneer firm.

Through a wholly-owned subsidiary the Caland Ore Company Limited, approximately \$50 million is being spent to bring into production rich deposits near Steep Rock operations.

First ore from this deposit is scheduled for shipment by 1960, and mine production ultimately is expected to total 3 million tons annually. The mining programme represents a tremendous stake in northwestern Ontario by the big United States company which this year announced a \$225 million expansion plan.

Benefitting by the experience of Steep Rock Mines Limited, the new Caland Company is in the midst of the herculean task of draining a lake and removing the overlying burden of silt. The immensity of this dredging operation can be compared only to the dredging made necessary in the construction of the Panama canal, largest excavation project ever undertaken by man.

The work on the canal involved moving 220 million cubic yards of earth, the greater part of which was done by 20 dredges throughout the 10-year construction programme. In contrast to this, Caland's plans are to remove 160 million tons (three-quarters of the yardage removed for the canal) with two dredges in approximately half the time.

By September 1, 1955, much of this preliminary work was completed. A 140-mile, 115,000-volt power line was constructed from Port Arthur, and two huge dredges built at Port Arthur were in operation. Lake waters were lowered 75 feet and several million cubic yards of material dredged. Power required to operate these two dredges is equivalent to the amount of power required to service a community of 60,000 people.

Before 1960, when it is expected that Caland will ship the first ton of iron ore, an open pit mine must be planned and brought into operation and shafts must be started to continue mine production

from underground. In addition, a 5-mile railroad spur line must be built and the plant area with all the necessary buildings must be constructed and arrangements made for adequate stock-piling facilities.

The iron ore from Caland's Steep Rock mine will be prepared to conform to the requirements of the Indiana Harbor works of Inland Steel Company, so that the mill will receive the best possible raw material for the furnaces. Steep Rock ore is high grade, direct-shipment ore and lends itself well to furnace practices.

The present iron ore requirements of Inland Steel Company are approximately 5 million tons per year. As Inland expands, it is expected that this capacity also will expand, and it is conceivable that Caland Ore Company will supply as high as 50 per cent. of Inland ore requirements when Caland has reached full production.

Still another gigantic iron ore development in northwestern Ontario is in prospect in the Red Lake area north of Dryden. Iron Bay Mines plans a \$50 million development of a deposit, estimated at 500 million tons, at Bruce Lake. Here are the broad outlines of the plan now shaping up:

Processing plants costing \$30 million to \$35 million; an 80-mile rail line linking the mine and the main line of the Canadian National Railway; a 90-mile gas pipe line spur from the trans-Canada pipe line; ultimate production of 4 million tons of high grade iron ore pellets a year through processing of 10 million long tons of crude ore.

The objective is production in 1958 with an initial unit of rated capacity of 500,000 long tons of pellets. This would dovetail with the completion target for both the trans-Canada gas pipe line and the St. Lawrence seaway. Ultimate production of 4 million tons would be reached by stages, with the addition of pelletizing units.

All economic studies of mining, processing, and transportation costs have indicated the project to be a highly economic one. Ability to use the new

Lurgi process for turning out pellets will mean that no binder or plasticizer will be used, nor will coal be required as an additive fuel in the pelletizing process. This will mean a substantial economy over other pelletizing operations in North America.

A bulk sample representative of all Iron Bay drilling recently was sent to Germany to the widely known Lurgi Gesellschaft fur Chemie u. Huttenwesen, and pellets turned out using the Lurgi process average 65.2 per cent. iron and 7 per cent. silica.

While magnetite concentrate forms the raw material, pellets turned out are actually hematite due to the oxidizing atmosphere and the temperature of heat hardening. Either gas or oil can be used as a fuel for heat hardening.

The final report of Dr. M. W. Bartley, the company's consulting engineer, gives a considerably larger tonnage potential than his preliminary report. Detailed exploration at Bruce Lake has outlined an ore zone some 17,000 feet in length in which two easily mineable ore bodies, with lengths of 3,200 feet and 7,400 feet respectively, are located. The width of the bodies varies from 120 feet to 650 feet.

Dr. Bartley reported that a minimum of 250 million long tons of crude ore, averaging 30.02 per cent. iron, can be mined by open pit methods. Because of the geological occurrence of the material, it is anticipated that at least an equal amount will be available for subsequent underground operations.

All iron-bearing cores from 29 drill holes were shipped to the research laboratory of Cleveland Cliffs Iron Company at Ishpeming, Michigan, for test. The work proved that the iron formation is amenable to economic beneficiation, showing a remarkable uniformity in both grade and concentratability.

Subsequently a bulk sample was shipped to Germany for pilot plant tests on concentrating and pelletizing. No technical difficulties were encountered and the final pelletizing was considered highly successful.

Iron Bay pellets will eventually be shipped to market from ore handling facilities at the Canadian Lakehead.

The next decade may witness iron ore development north of Nakina, on the main Canadian National Railway line, where the presence of an ore body of 164 million tons is indicated by Lake Superior Iron Limited.

Recently, Frontenac Exploration and Development Company, wholly-owned subsidiary of Anaconda Company, was granted an option to purchase the property by Lake Superior Iron. The agreement involves payment of \$2.5 million to Lake Superior Iron as well as an interest in a new company to be formed by Frontenac.

The Lake Superior property consists of a group of 76 claims in the Kowhash district, about 32 miles east of Lake Superior's present holdings; these will also be included in the property taken over by Frontenac, and on which anomalies and iron ore indications have been obtained.

Lake Superior has reported the 164 million-ton ore body grades 30 per cent. iron to a depth of 500 feet. A total of 100 million tons is indicated to a shallower depth of 300 feet. Two laboratories are investigating possible treatment methods to produce a premium grade concentrate, and results are reported up to expectations.

These reports of massive and widespread development and exploration are convincing evidence that northwestern Ontario iron mines are destined to be an enormous bulwark in the regional and national economy.

To understand why iron ore should be regarded as a key to our future, says M. S. Fotheringham, Steep Rock's president and outstanding engineer, one has only to examine briefly the impact which the iron and steel industry has had on the economy of the United States. Says Mr. Fotheringham:

"The industrial dominance of that prosperous country is linked with its formerly tremendous iron ore resources

and the never-ending development of its steel industry. In the last 100 years, total iron ore production in the United States has amounted to more than 2 billion tons. In this same period Canadian sources yielded only 40 million tons, or less than 2 per cent. of the United States total.

"The steel industry of this continent has grown, and is continuing to grow, at an astounding rate. During the past years, while the population of the United States doubled, its rate of steel production increased nearly 7-fold, and no end is in sight. Such expansion of steel output results both from increase in population and increase in per capita requirements. In the United States, heavily industrialized as it is, steel demand amounts to almost three-quarters of a ton per person per year. The people use more steel than any other substance except coal and water.

"Canadian consumption of steel per capita is somewhat less than this but it is high, and it is increasing more rapidly than any other nation. This increase is especially impressive when one considers the prominence of light metals and plastics in our economy. However, iron and steel—because of their essential physical qualities and relatively low cost—will never be pushed into the background by such other substances.

"With this insatiable demand for steel, the United States is fast approaching exhaustion of her domestic reserves of top grade iron ore. Never, since America first began to make steel, has such a shift-over in the iron picture been so clearly indicated and accepted. As time goes on, the steel industry must look to new sources for raw material. The need will be satisfied in part, though at high cost, by beneficiation of the low-grade Minnesota and Michigan ores previously regarded as waste material.

"But to a large degree the United States will rely on imported natural ores. By 1975, according to the Paley report, and other accepted authorities, the United States will need to import 65 million tons of foreign ore every year.

That is more than the entire annual requirement of the North American steel industry prior to World War II.

"What an opportunity this presents to us in Canada!

"There is a striking similarity in the history of most iron mines, and the history follows this general pattern: the initial discovery and its resultant enthusiasm; then the entry of the 'doubting Thomases' who discount and disparage the potentialities of the deposit while the explorers and the engineers assemble the facts and establish whether or not the property has merit, and how it may be best developed; then comes the struggle for financing, and so far this has not been an easy task in Canada.

"Through all these stages, a prime requisite is the support and co-operation of governmental agencies at all levels. Finally, there is the responsibility of spending money wisely to develop the ore deposits and to initiate production . . . Steep Rock is a good example of this pattern.

"Today we can glimpse only one corner of the Canadian iron ore picture. Much exploring remains to be done from the Arctic to the American boundary, and from coast to coast, before the complete picture will come into view. But even that one corner which we now see reflects reasonable assurance of 5 to 6 billion tons of high-grade iron ore, conveniently located. Such vast reserves, and I believe the estimate is conservative, will support for generations the 30 to 40 million ton annual output which I suggest as reasonable for our new iron ore industry.

"Think for a moment of the impact on our economy of such an output. Production of 40 million tons will give us more than \$400 million in new wealth annually. That comes very close to the combined value of all the nickel, copper and gold together produced in Canada in 1954. The requirements of the steel industry of this continent will readily absorb such tonnages of high-grade ores. Proof of this is the fact that major steel companies have already embarked on expenditures which

will finally amount to about \$1 billion to prepare for the costly production of some 30 million annual tons of substitute concentrates from Minnesota taconite ores.

"Canadians are justifiably proud of their mineral industries. As the future unfolds we will have much greater cause for pride if we seize the opportunities which are at hand today. We have an abundant legacy of natural resources, but it is our responsibility to put this legacy to work in a rational way. Canada's iron ore reserve is one of the powerful economic keys; the key is in our hands, and it can open the door to greater prosperity for Canada. . . ."

Agriculture: We in the north need farmers. Northwestern Ontario has at least 1.5 million acres of arable land awaiting settlement, on the basis of soil surveys over the years. This is sufficient for 10,000 farms of 160 acres each. Only a fraction is occupied, still less under cultivation.

Exploding the fallacy that this section of Ontario possessed no land suitable for farming, field crops worth more than \$4 million are produced annually from 130,000 acres. Dairying is big business.

In the Fort Frances-Rainy River area, the Kenora-Dryden area and the Lakehead district, great tracts await the plow. A land settlement programme to publicize the assets of the areas, to attract experienced farm families, and to assist them in becoming firmly established, is considered timely.

A vigorous farming policy, coupled with new ventures in produce processing and beef-raising, also would close the gap of farm imports totalling many millions of dollars and help make the northwest more self-sufficient in food supplies.

A growing population should provide the incentive for marked acceleration in agricultural development in the next decade or two.

Manufacturing: Development of secondary industry in northwestern Ontario will receive new stimulus from cheaper transportation (the seaway)

and new energy fuels (natural gas) in the decade ahead.

If manufacturing is to expand, its most likely and logical direction is in the fabrication of more of the region's great reserves of raw materials into manufactured goods for shipment abroad and for the Canadian market.

Establishment of an oil refinery at Fort William provides a new and important potential in the petro-chemical field. Natural gas and bunker fuels provide a fuel-energy reservoir bound to encourage industries to locate in the area.

The extent to which the northwest participates in the broadening field of secondary industry will depend on such factors as: the rate of general economic development of Canada, particularly western Canada; the further development of our main current primary industries of forestry and mining; and the establishment of additional steel smelters and rolling mills, and aluminum smelters and rolling mills. Also, it will depend on neutralizing the disadvantages of lack of primary industry and of geographical location by cheaper transportation of materials into and goods out of the district.

Vacationland: the tourist or visitor industry in northwestern Ontario was worth, by conservative estimate, at least \$35 million in 1955, and may have been considerably more. In the next quarter-century it will become, unquestionably, one of the biggest sources of wealth in this section of the province.

With more and improved highways east, west and south to the populous United States, there are sound reasons for accepting predictions of tourist authorities of the region — that this relatively young and expanding industry ultimately will bring \$100 million or more annually into this superb vacationland with its unique appeal and spectacular scenery.

Great impetus will be provided by the completion of the trans-Canada highway along the north shore of Lake Superior to Sault Ste. Marie on the east and Fort Frances on the west.

Coupled with the \$80 million bridge spanning Mackinac Strait, the highway will lure a tidal wave of visitors from south of the border to the magnificent Lake Superior country.

Linking of the Great River road (Mississippi Parkway) with the trans-Canada near Kenora will open an area of 30 million potential vacationists.

To accelerate development, changes are urged in present liquor laws, toll roads, loans to operators to improve and extend their properties and a bold campaign of advertising.

The industry has vast potentialities, in that wise conservation of the natural assets of lakes, streams, forests, fish and wild life, go on perpetually.

Giant of the future: by the most conservative estimate, the tourist or visitor industry of northwestern Ontario in 1955 was a \$35 million business and might well have totalled \$50 million. In Thunder Bay, Kenora and Rainy River districts, it now is firmly established as one of the big factors in the northwest's economic progress.

In the next decade or two, with new and improved highways east and west and south to the populous United States, there are sound reasons for estimating that this young and expanding industry ultimately will bring \$100 million or more annually into this superb vacationland with its unique appeal and spectacular attractions.

Completion of the trans-Canada highway along the scenic north shore of Lake Superior to Sault Ste. Marie, coupled with the \$80 million bridge spanning the Straits of Mackinac, and the new causeway and road from Atikokan to Fort Frances will bring an enormous wave of visitors from south of the border.

Similarly, linking of the Great River road (Mississippi Parkway) with the trans-Canada highway near Kenora will open an area of 30 million potential vacationists. Joining of these great Canadian and American highway systems in mid-Canada in 1955 was a personal achievement of a northwestern Ontario man, Mr. A. J. Sherrett, secre-

tary-manager of the industrial and publicity board of Kenora. His vision and enterprise will reap rich dividends for the area in the decade that lies ahead. He says:

We feel it can reasonably be stated that the industry in northwestern Ontario is still in its infancy. It has vast potentialities, in that wise conservation of the natural assets of lakes, streams, forests, fish and wild life go on perpetually. Tremendous areas have yet to be opened up. Success, to date, has been attained despite comparatively few highways. Great development can be made possible by more roads, keener recognition of the industry's possibilities and a greatly extended advertising programme through many media to meet the competition from all 48 states and from foreign countries as well.

Another authority on the tourist industry, Alderman Hubert Limbrick of Fort William, likewise foresees mammoth growth in recreation and vacationing in the salubrious summer climate and scenic wonders of the northwest.

To accelerate its development, he proposes changes in the present Ontario liquor laws, loans to operators to improve and extend their resorts and a bold campaign of advertising to make the northwest's attractions and advantages widely known.

Seaway and pipe line: Fort William and Port Arthur, world's greatest grain-handling centre, will be mid-continental ports for larger ocean ships with completion of the seaway scheduled for the spring of 1959.

Consensus of authoritative opinion is that the impact of the seaway will be gradually stimulating to trade, to industrial expansion and will increase the Lakehead's importance as a warehousing and distribution centre. Cheaper shipping rates are expected to give existing industry a more favourable position competitively and to enhance the prospects of establishing secondary industry in the area. A comparatively small change in freight rates sometimes means life or death to an industry.

Combination of lower freight rates and natural gas from the west seems to be an attractive possibility for reducing some of our minerals to metals. For direct cargoes from Britain and other overseas countries, the Lakehead would seem a logical centre for assembly plants for automobiles and products for western Canada.

In opening the lakes to world shipping, adequate protection must be afforded Canadian vessels and ship-building plants on the Great Lakes.

Thomas W. Tod, 1955 president of the Fort William Chamber of Commerce, echoes this optimism. He says:

The St. Lawrence seaway should have a favourable impact, but we must be alert to make the most of it. Ships from Britain and distant lands will be delivering goods at the head of the lakes. We will be a base, but the success of the St. Lawrence seaway and our share in it will depend largely upon the growth in Manitoba, Saskatchewan and Alberta and perhaps the Northwest Territories.

The natural gas pipe line to serve northwestern Ontario may, perchance, be the beginning of an industrial snowball that will roll us into a variety of small and large industries. With each new industry or business established in the northwest, some benefit, direct or indirect, will accrue to every zone or district and we all will share in one way or another.

Donald A. Clark, 1955 president of the Port Arthur Chamber of Commerce, reiterates this outlook and adds:

Port Arthur is known as the city which grew into being on the impetus of adversity, through the determination of citizens to survive under handicap and by a form of free enterprise and industry which makes it a pioneer in different fields. Our road to the future looks exceptionally bright. We are still suffering from growing pains and we expect to suffer in the same way in the decade ahead.

Other sources of power such as thermal plants, fired by coal, gas, oil or nuclear energy and interconnections with other systems are receiving concentrated study by hydro to keep ahead of the insatiable demand.

Power lines are spanning the great distances of the northwest to serve rapidly expanding mineral and industrial developments. The one existing line to Atikokan and the great Steep Rock iron mines was inadequate to supply the increased load due to Caland Ore Company operations. So a second 115,000-volt line was built and placed in use in 1955.

To serve the new mining area and town of Manitouwadge, a new 70-mile, 115,000-volt line to that region was constructed. At the new townsite, a transformer station will supply the town distribution system. Only months ago, the area was uninhabited wilderness.

In the rural operating areas, Hydro is serving nearly 10,000 customers over 1,768 miles of primary lines. In the Port Arthur district, customers increased from 2,134 in 1948 to 5,115 in 1955. In the Kenora district customers increased from 273 in 1950 to 1,324 in 1955. In the Dryden area, hydro had 367 rural customers in 1950 and 990 in 1955. Service was made available in the Fort Frances region in 1948 to 338 customers; in 1955, this number had grown to 1,940. Sioux Lookout area climbed from 46 customers in 1949 to 174 in 1955. Rural power went to 3,356 farms, 3,901 hamlet customers, 1,033 commercial users, 1,611 summer consumers and 28 power consumers.

Prospects and problems: While they face the future with realistic optimism, northwestern Ontario's municipalities, both urban and rural, are concerned about increasing property taxes, education costs, seasonal unemployment, power rates, and in some cases, lack of year-round industry.

Whether their pace of progress be swift or gradual, communities see the need for more and improved highway connections with other parts of the district and the rest of Canada, larger

school grants and increased aid in municipal financing.

Another source of revenue (other than property and business taxes) must be found. In most of the smaller communities of the northwest, the annual education levy averages approximately 50 per cent. of the total tax levy compared with the provincial average of 30 per cent. In some rural municipalities it is even higher. The problem is similar in all municipalities. The cost of education is getting beyond the capacity of the taxpayer to meet.

In less than half a century, northwestern Ontario has evolved from the log-cabin schoolhouse to university training. In 1956, the first buildings will go up for the new Lakehead College of Arts and Sciences on an 80-acre campus on the outskirts of Port Arthur. Initial buildings will cost \$525,000.

It is estimated that by 1960, approximately 400 students from northwestern Ontario will enrol in first year university courses and will form the nucleus which will develop into a full-fledged university as the region continues to grow.

Outgrowth of the Lakehead Technical Institute, the new college is another shining example of sturdy independence and enterprise on the part of the northwest's people. They have not waited for others to help. In the robust spirit of free enterprise, they have laid the foundations for a cultural life to go hand-in-hand with industrial development.

Technological and professional college training will be provided for the youth of the region in an academic atmosphere and with improved facilities, unavailable at the present institute. Despite handicaps, the institute has had a brilliant record in its technical, university and special divisions that augurs well for the new institution and this government has assisted it in every way.

Northwestern Ontario has been singularly free of protracted labour-management disputes that have plagued and disrupted industrial centres elsewhere. The whole tenor of labour-management

relations has been one of marked and mutual tolerance on the part of both parties. On the basis of past experiences, it is reasonable to predict a continuation of this atmosphere in the decades ahead.

An example of industrial relations harmony is the pulp and paper industry where not one hour has been lost in mill operation due to strike action in more than 3 decades.

More than 100 constituent locals at the Lakehead belong to the Trades and Labour Congress of Canada, the Canadian affiliate of the American Federation of Labour. Central authority is vested in the Lakehead and District Council. Eleven other locals belong to the Canadian Congress of Labour whose American affiliate is the Congress of Industrial Organizations. Central authority for this group is the Thunder Bay Labour Council.

Communist elements previously in some unions long since have been eradicated.

Immediate objectives of Labour include revision of the Labour code to obviate long delays in renewing contracts, inclusion of the annual guaranteed wage in future contracts, and revision of Sunday blue laws to provide off-duty workers the opportunity of Sunday sports and recreation.

The last quarter century has exploded the fallacy of "the rock desert" and "barren barrier" separating Canada at its centre, as its renewable resources yielded annual harvests of timber wealth and its mineralized zones poured out treasure in ever-increasing volume, to build a strong fabric of primary industry.

The next quarter century is bound to witness giant strides forward as its virile and buoyant midwestern people, with vision and energy to match their immense domain, bend to the task of developing a dynamic and balanced economy.

On the rugged pre-Cambrian face of the northwest, on its green forests, myriad lakes and surging rivers, on its tranquil farms and busy cities, the sun of magnificent promise shines steadily.

I have made an attempt to highlight some of these major developments, to forecast future trends and to indicate where government and other policies might accelerate the growth of this great region.

In conclusion, I want to congratulate the hon. Prime Minister (Mr. Frost)—in my opinion, and in the opinion of the majority of the voters of this province—the greatest Prime Minister this province has ever had.

I want to congratulate his hon. Ministers for the job they are doing and for the co-operation they give to me and I know to every other hon. member of this House.

In the Budget Speech concern was voiced about where the great sums of money that would be needed to service the future needs of the people of Ontario would come from. I have tried, Mr. Speaker, to demonstrate how we will make our contribution as a full partner in this great province of Ontario.

Again I congratulate the hon. Provincial Treasurer (Mr. Porter) on his very fine presentation of the Budget, and a very fine Budget it was, and let me say that we shall endeavour to be a solid pillar in the support of this great economy in Ontario that this government is making such a tremendous effort to maintain and enlarge.

MR. R. BELISLE (Nickel Belt): Mr. Speaker, may I extend my hearty congratulations to the hon. Provincial Treasurer on his presentation of his first Budget. It must have been no easy task to follow in the footsteps of the hon. Prime Minister who, in his capacity as Provincial Treasurer, presented 12 successive balanced Budgets. However, the hon. Provincial Treasurer enjoys a fine background of experience. He had already established a fine reputation as Minister of Planning and Development, as Minister of Education, and as Attorney-General. Indeed, it has not fallen to the lot of many servants of the Crown in this or any other government to have enjoyed such a broad experience.

The immense amount of material presented to this House is most helpful and illuminating. It represents a tremendous amount of work on the part of the hon. Minister and the members of his very capable staff. It is interesting, I am sure, to every hon. member of this House, and presents a clear and concise picture of the excellent financial condition of this great province of Ontario.

Mr. Speaker, it oft times has been repeated that youth is impressionable, the connotation being that we should overlook the lack of experience which is evident. As a young man in the thirties and a new member of the Legislature, representing a new riding, I have outgrown the unbridled enthusiasm of youth. Still I must confess to very definite and lasting impressions accruing from this session.

I was very much surprised and greatly pleased to note that all sessions begin with a traditional prayer. This may not mean much to older hon. members of this House, or then again the routine may escape their notice. However, for a new member like myself, who has had the privilege of attending a session of the league of nations, this simple fact of dedicating our work to God brings home the realization that without prayer the United Nations has done much with no end result, while the Ontario government can take legitimate pride in a long list of achievements which have contributed greatly to the welfare of its citizens and the economic development of the province.

My second impression is an outgrowth of the first, and has to do with the decorum which has been in evidence throughout the deliberations thus far. It would seem that the veterans amongst us have taken lessons in verbal fencing, or are very much impressed with the high office held by yourself. This, Mr. Speaker, brings me to offer my sincere congratulations on your appointment, and to express the hope that you will receive the continued co-operation of all in discharging your difficult duties.

I am told, Mr. Speaker, that the seat now occupied by myself has been in

mourning since the untimely death of the hon. Welland S. Gemmell. I should like to state that I feel quite undeserving of the honour bestowed upon me, knowingly or otherwise, while preparing seating arrangements. Hon. Welland Gemmell, in a way, was much like the riding which I have the honour of representing. He was rugged yet friendly, and looked to the future with considerable enthusiasm and unbounded confidence. The late hon. Welland S. Gemmell worked hard as a citizen, as a member of this Legislature, and as a Minister of the province, and much of the progress achieved in our northern districts stands as a monument to his untiring endeavours.

The privilege of taking over his seat in this House constitutes, in my humble estimation, a tribute to my constituents who were also his and to our great new riding, one of the 8 new ridings constituted at the last re-distribution.

The term "far flung" is applied to a good many of our northern ridings, and I must say it well applies to Nickel Belt. The riding comprises an area, I should say, roughly 350 by 400 miles. Our rail transportation is good. Our system of roads and highways leaves much to be desired. Our natural resources are among the richest in the world. Our people are thrifty, hard-working and enterprising, who find life in the northland a rich experience even though they are often denied many of the comforts and conveniences which are so commonplace in the south.

The population of Nickel Belt is made up of 28 national groups, all working together in harmony, and all imbued with the spirit of our great pioneers. Nickel Belt, as hon. members know, is blessed with unlimited natural wealth, the main industries being mining, agriculture and lumbering.

Tourists and sportsmen alike will tell you, Mr. Speaker, that fishing and hunting are the main industries, but they are prejudiced, and envied by many . . . and I would like to compliment the hon. Minister of Travel and Publicity (Mr. Cathcart) for the kind interest he

has shown for the north. Although I live in the midst of this sportsmen's paradise, with a big riding like mine I cannot take time out to enjoy it.

Mr. Speaker, my friends will tell you that I cannot enjoy our bountiful streams and forests for looking at the rocks. Well, the rock formations in Nickel Belt are fascinating. They hold out a challenge to men with vision and the will to work. Buried in these rock formations we find the bulk of the world's nickel and copper, not to mention gold, uranium and many other precious metals. May I say, Mr. Speaker, that mining is the life-blood of my riding and a most important factor in the economic life of this province.

I do not mention this fact for the purpose of bragging, but to stress the necessity of encouraging the development of this industry by opening up and maintaining access roads, township roads, and main arteries. This investment cannot fail to show dividends and contribute 10-fold to the general prosperity of the province.

Mr. Speaker, the other day I listened with considerable pleasure to the hon. Minister of Mines (Mr. Kelly) speaking on the work done by his department. I was particularly impressed by his expression of deep-rooted faith in the future of northern Ontario. This reminded me of statements uttered some years ago by the hon. Charles McRae, then Minister of Mines and member for Sudbury. Mr. McRae was a true northerner and loved by his people, but above all he was a man of vision; and it is a comfort to me and my constituents to hear his faith re-stated with the added promise of fulfilment.

The late Mr. McRae entered this House in 1911; he was re-elected in 1914, 1919, 1923. And in 1926 and 1929, he enjoyed the rare honour of being elected by acclamation. From 1923 to 1934 he served this province honourably and well as Minister of Mines in the government headed by hon. G. Howard Ferguson.

The Premier and his Minister of Mines were two stout advocates of

northern Ontario, and their services to that part of our province will never be forgotten. After leaving public life, Mr. McRae made a notable success in the field of mine promotion, and continued in this way to make a sound contribution to the development of northern Ontario. I would humbly suggest to the present hon. Minister of Mines that, in mapping out the expansion of mining activity in northern Ontario, some thought be given to creating a scholarship in geology that will bear the name of the hon. Charles McRae.

I would like to add, Mr. Speaker, that the appointment of the hon. member for Cochrane North to the responsible office of Minister of Mines is deeply appreciated by my constituents and all northerners. We in the north have long recognized his ability, but we now take comfort in the thought that the hon. Prime Minister (Mr. Frost) himself has seen fit to recognize the qualifications of the hon. Minister and the potential of our great north country.

I feel that it is a great honour to be a representative of a part of the territory so ably represented for so long by these two distinguished men who have gone long before. I hope that I shall not lose sight of their traditions, and that I may in some slight degree make a humble contribution to the great territory which today benefits from the work which they carried on for so long.

Mr. Speaker, I scarcely need to say that our mineral wealth is the backbone of our economy in the Sudbury area. Nevertheless, our agriculture is of very real importance, as is our lumber industry. In fact, we have something approaching a balanced economy. For instance, when we think of the major mining companies, we think of nickel, copper and other associated minerals; but International Nickel uses 47 million board feet of lumber each year, it uses 20 million imperial gallons of fuel oil, 545,000 tons of coal and 160,000 tons of coke. I shall have more to say later about our mining industry, but I have already said enough to show how our mining operations affect other fields of endeavour.

Our centre of population is the growing city of Sudbury with its suburb of Copper Cliff, site of one of the world's greatest industries. Then we have Garson and Coniston, Falconbridge and Creighton and Lively, Levack and Chapleau, Chelmsford and Blezard Valley, famed for its farming, which is about 20 miles long and 4 to 5 miles wide. Noelville and Saint Charle, not to mention Burwash with over 1,000 civilian residents and its sizeable population of unwilling guests. In a word, we have in our big territory urban as well as rural problems. And we shall have more of them as time passes, for northern development, great as it is, is still in its early stages.

Mr. Speaker, very briefly I should like to touch on certain of our developments in the north which are not confined entirely to the riding I have the honour to represent. Our northern history as to the mining industry is a longer one than most people realize. One of the earlier ventures was the operation of the copper mines at Bruce Mines in Algoma District. Here, probably about 1820, well over a century ago, copper deposits were mined by primitive methods, by miners imported from Wales, whose descendants, as the hon. member for Algoma-Manitoulin (Mr. Fullerton) well knows, form the backbone of the area today. The rich copper ores were extracted and shipped to Wales in sailing ships. As time went on, various refining practices were introduced at the mines until they finally shut down.

They had a brief revival under the auspices of the Mond Nickel Company, and I understand that again there is marked interest being displayed in the properties. There are scores of abandoned properties along the north shore, but most of them are relics of an age before the diamond drill was invented. Perhaps modern prospecting and development methods will bring to light mineral resources in this huge territory of which our ancestors never dreamed.

It was the late James Stobie from Portlock, a hamlet near Bruce Mines, who discovered and staked many of the

nickel deposits which now are the foundation of our great nickel industry.

I have mentioned these matters briefly to point out the fact that the north has been under development for a long time. Half a century ago or a little more, in the dying days of the Ross government, the steel mills at Sault Ste. Marie were shut down. One of the big issues debated at length in this chamber was the question of extending a limited amount of provincial aid in order to get the chimneys smoking again.

Silver Islet up in Lake Superior was quite a mining operation in its day. The same applies to a good many other properties up around the Lakehead and as far west as Kenora.

What I should like to point out is that the north is no downy-cheeked youngster, but rather more resembles a youth who has just entered the age of full manhood and stature. It has been said that governments exist to enable people collectively to accomplish what they cannot accomplish as individuals. This does not mean that they have done all that should be done, because the tasks in front of them are indeed imposing tasks.

Mr. Speaker, today, we have in Sudbury many fine buildings that have been built by this present government. I would like to mention our 3 new hospitals, our new sanatorium, our provincial police headquarters throughout my riding, and also the new mental hospital being built at North Bay which will serve northern Ontario as far as Port Arthur.

Mr. Speaker, I would like to suggest to the hon. Minister of Labour (Mr. Daley) that some serious thought be given to building a re-establishment centre for the compensation labour cases in Sudbury. Now that we have hospitals and medical care that are comparable to any other centre in the province, I feel that the treatment of these cases could be well looked after in Sudbury. Our employment in our midst is to increase yearly, and the travelling of hundreds and hundreds of miles from

home, family and friends is utterly an unfair condition.

These hospitals are a splendid contribution to the cause of human betterment. They stand to the credit of the hon. Prime Minister of this province (Mr. Frost), his energetic and capable hon. Minister of Health (Mr. Phillips), and the distinguished hon. Minister of Public Works (Mr. Griesinger).

Mr. Speaker, I would like to say a few words regarding the Burwash industrial farm which is in my riding. I have on two occasions since the June election visited the farm, and I must say that the care and treatment of the inmates as I saw them are, to my way of thinking, the best I know of.

Every advance in the treatment and rehabilitation of convicted persons is an accomplishment of the present administration. We have heard much criticism from a certain quarter in this House about the management of our reform institutions. Let us realize that some inmates of penal institutions are victims of circumstances, broken homes, bad company, whatever the cause may be. Some of them are not so well equipped mentally, some of them—a good many of them—are avowed enemies of society and these latter are where they should be. Some of them will be at the Millbrook reformatory before too long. This institution is another landmark in the constructive record of a Conservative government.

Let me say this—for thousands of years of recorded history the care, treatment and reformation of lawbreakers has been the subject of experiment, and no one has yet come up with the final answer, nor ever will. But I would like to add this—today, in Ontario, some 4,000 convicted men are walking the streets; they are holding down jobs; they are supporting their dependents; and this is because of a probation system established by this government.

It costs about \$50 a year to keep one of these men on probation; it costs at least 20 times that amount to keep him in prison. The system works. It is a credit to the hon. Attorney-General (Mr.

Roberts) and it is essentially an extension of the reform programme. I could go on to speak of the rehabilitation programme as related to alcoholics, but I want to get back to certain matters as related to the north.

Mr. Speaker, I fear that in giving vent to my feelings on the subject of mining as it concerns my riding and northern Ontario, I may have given the impression that it is the only industry of note north of Barrie. I wish to correct the impression immediately because, as a gentleman-farmer and a resident of Rayside township, I can vouch for the importance of agriculture in my riding and the north generally.

Most of you remember the potato kings from Sudbury proper who brought fame to Canada, especially northern Ontario, a few years ago. The honour which they brought to our valley is a direct outgrowth of the untiring work being pursued by the provincial agricultural representative in the nickel belt, Mr. Romeo Leroux. The work of the local office of The Department of Agriculture is being duplicated in all districts of Ontario, and the splendid leadership and help which are being given to farmers, especially the younger set, is a definite assurance that agriculture in Ontario will continue to prosper and expand. The hon. Minister of Agriculture (Mr. Thomas) is to be commended for a job well done.

Mr. Speaker, as an ex-civil servant under the hon. member for Peel (Mr. Kennedy) I will say that he was a true leader of men, endowed with foresight and initiative, a man respected and loved by all the civil servants in his department. He is one of the few hon. members of this House who can say he has given 50 years of his life to the people of this province. His vast knowledge and his wealth of experience have won for him the respect of younger hon. members like myself who look to him for advice and direction.

Mr. Speaker, after reading the biography of the hon. member for Peel and learning of the services rendered to his church, his community, his riding and

his province, to his country as a distinguished soldier, I'm inclined to think that the words of the fifth freedom were penned by him. I shall not burden you with the reading of this inspiring prose, but then I should like to point out that in the case of the former Minister of Agriculture the dream has been fulfilled and his record of achievements is a guiding light to the younger hon. members of this House.

Agriculture in this province has been a flourishing industry, and I express the hope that the government will continue to support and pursue the policies which have brought about this happy state of affairs. I would suggest, however, that measures be taken, first, to enlarge the training programme and training facilities of our agricultural colleges with a view to stepping up scientific farming in all areas of the province; second, to help, encourage and assist our approved marketing boards.

Taking the long-range policy as a major consideration in agriculture, Mr. Speaker, I shall bring to the attention of the government the necessity of giving the matter of expropriation some serious consideration, especially where farm land is concerned. I am one of the first to campaign for better roads and highways and the extension of Hydro facilities. Still, I question the wisdom of allowing government officials, who often do not realize the value of agricultural land, to arbitrarily decide what lands should be taken over for the use of their particular department. My thinking is that some competent board should be created whose duty it would be to assess the value of the land in relation to agriculture and to the project concerned.

Looking at the problem from the farmer's viewpoint, I say that in many cases, to destroy the fertility and usefulness of the soil is an unsocial act, and that we should place a much higher value on our farm land if agriculture is to maintain its prosperity, and if this southern part of this province is to retain its name as the fruit and vegetable garden of this country.

Mr. Speaker, the problem of preserving our farm lands could very well rest with The Department of Planning and Development, providing it adopted a policy of encouraging new industries to locate in non-fertile areas. The hon. Minister of Planning and Development (Mr. Nickle) might keep in mind that we in the north can accommodate many such industries, for a good portion of our land does not lend itself to farming.

This land is not barren by any means, for most of it is lumbering country and lumbering in the Nickel Belt is one of the 3 major industries. It is a flourishing industry at this time, but we do view with some concern the incidence of forest fires which have plagued our area over the past seasons.

The Department of Lands and Forests has come in for criticism from the press over this situation. However, considering the terrific heat and dry spells which extend over the entire summer, I feel that the hon. Minister (Mr. Mapledoram) and his department are to be commended for preventing a greater calamity. I would add that the appointment of the present hon. Minister of Lands and Forests was very much appreciated by all concerned, with his true knowledge and his vast experience of this industry, we feel he is doing a very good job.

I urge the department, however, to extend its reforestation programme to compensate in some measure for the loss through fire and mismanagement in certain lumbering concerns. Incidentally, many of the lumbering operators in my riding have expressed grave concern over the rising costs of compensation, and I sincerely believe some have reached the stage where they are seriously considering giving up the business as unprofitable.

I realize that this question falls within the jurisdiction of The Department of Labour, which may not be concerned with the application of the law where it affects one particular industry. I nevertheless draw to the attention of the hon. Minister of Labour (Mr. Daley) the hardship caused to the

lumber operators by the burden of compensation, and would suggest a closer supervision of the work of the compensation board. I fully realize that the problem which I bring forward, like others, has many ramifications, and that the department will act in the better interests of the citizens at large.

Mr. Speaker, I am going to say a few words in the language that is spoken by the majority of my constituents, and I know that I am not creating a precedent, because other hon. members have, in the past, done so.

M l'Orateur, je voudrais dire en ma langue maternel combien je suis heureux de pouvoir exprimer mes sentiments de satisfaction en cette occasion, parce que la plupart des Canadiens de langue Française qui vivent à l'intérieure des limites de la province, ont appuyer fortement la politique qui est si bien exprimer aujourd'hui par notre grand premier ministre, l'honorable Leslie Frost.

Permettez-moi, monsieur l'Orateur, de pousser gentilleement l'idée qu'un jour dans notre vaste pays un homme de la stature de Leslie Frost, de l'âge de Leslie Frost, aux dispositions de Leslie Frost puisse surgir sur le front national pour appuyer les efforts du parti Conservateur et veiller aux destinées de notre grand pays.

Mr. Speaker, I would like to say a few words regarding The Department of Public Welfare, of which the hon. Louis Cecile is the Minister. First of all I compliment him for his very outstanding speech the other day in this House. He gave a very good picture of the contribution that the French Canadians have made to this great province of ours, that we are true and faithful Canadians inspired by the desire to work for the welfare and prosperity of our country.

I commend the hon. Prime Minister for hon. Louis P. Cecile's appointment. We were very pleased about it and I

know that the hon. member is well qualified for the job.

As other hon. members have suggested we should if possible increase the allowances of the aged and needy people of this province. I think that we, members of all Parties in this House, are agreeable that the federal authorities should go even more fully into the question of accepting larger responsibilities of the cost of needy and unemployed people.

I would add that it is always with pride that we look upon you, Mr. Prime

English translation

Mr. Speaker, I would like to say, in my maternal tongue, how happy I am to be able to express, on this occasion, on behalf of the French-speaking people who live within the borders of our province, their strong support for the policies so well expressed by our great Prime Minister.

Permit me, Mr. Speaker, to support, generally, the idea that some day, in this great country of ours, a man with the capabilities, disposition and understanding of our hon. Prime Minister, may take his place in the national field to support the efforts of the Conservative Party, and carry its policies forward to a successful conclusion.

Minister, when you assist at the federal-provincial conferences, and we know that your sense of co-operation and understanding are always your main objectives.

Mr. Speaker, I know that you will permit me to give my own impressions of Her Majesty's loyal Opposition.

First, I would like to compliment the hon. leader of the Opposition (Mr. Oliver) for the many years of service he has given to this province as a public servant; he has without any doubt in my mind been an asset to his Party.

The criticism he has made is not always too constructive, but it is done

with a very good sense of humour. Our administration has always been so good that it is very difficult for him to be otherwise.

I would like to suggest to him that his friends in Ottawa should reward him with something . . . either an appointment to the Senate; to the Lieutenant-Governorship of the province; or, now that we gather from the Canadian Press that tenders will be open (for Liberals only), why not even to the post of Governor-General!

Mr. Speaker, one of our greatest needs is more and better roads. They are needed for development of our resources. They are needed to enable our very sizeable population to get around its communities and to carry on its normal daily affairs.

I recognize the great needs of the south with its big traffic problems. They must be and are being met. But the north has real problems of its own. I mentioned a few of our communities and touched briefly on our mining industry. I am going to add a few important facts.

Sudbury, Copper Cliff and Coniston embody a population of about 80,000. These communities are, so to speak, built around the operations of International Nickel. There are 12 underground mines and open pits operated by International Nickel Company within a 30-mile radius. I hold no brief for International Nickel Company, but would like to say this: The company has, since 1947, allocated more than \$16 million for employee housing and enlargement of educational, recreational and other welfare activities. Work at the new town of Lively commenced in 1950. Since then, 600 houses have been built for International Nickel Company workers and a 21-room school erected. At Levack a \$2 million housing project has been developed.

About 16,000 people work for International Nickel in Sudbury. Again, there is the Falconbridge development, a smaller concern than International Nickel but a major company in the field of mining. The output at the In-

ternational Nickel Company Limited is about 282 million pounds of nickel per year. Falconbridge is producing more than 40 million pounds along with 22 million pounds of copper.

I could go on quoting statistics but I shall not do so. I should like to say, however, that in 1954 there were 9,984 mining claims staked in Sudbury and many more in 1955.

Mr. Speaker, we well remember that it was the former hon. Minister of Highways (Mr. Doucett) who started to pay attention to our road problem. Our two major highways east and west of Sudbury are to his credit. This government and the hon. Minister of Highways (Mr. Allan) are to be congratulated in getting on with completion of the short cut from, shall I say, Toronto, highway No. 69.

There are 2 or 3 items I should like to draw to the attention of the hon. Minister of Highways. The Sudbury-Levack road, about 25 miles long, is a secondary road, gravel, and serves Levack and Hardy Mine communities and the territory along the route. This road is in poor shape; it requires, at the very least, a gravel mulch surface, preferably it should be regraded and supplied with a standard pavement. It also should be continued another 20 miles to Cartier.

Another important secondary road, No. 535 from Hagar to Noelville, requires grading, straightening and the application of a permanent surface.

I realize that progress on the trans-Canada highway is not as fast as we should like to see it through to Chapleau. This however, is by no means the fault of The Department of Highways. Much of the highway leads through virgin country. Much of it crosses a very rugged terrain, and the standards imposed by the federal government are higher by far than is necessary. In addition to this, their scale of aid, in the light of their enormous revenues, is far too small.

There are sections in Ontario and British Columbia which are, and will remain, little more than connecting

links, and in my humble opinion Ottawa should pay the whole cost, which it can very well afford. It is one of the peculiar features of management at Ottawa. They have millions, yes, billions of dollars for projects which mean very little to the average man or woman in this country. But they have so little for those things which we need, and which mean so much in the day-to-day life of our people.

Mr. Speaker, I am going to enlist the good office of the hon. Vice-Chairman of the Hydro-Electric Power Commission of Ontario (Mr. Warrender) to ask that power be made available at Gogama. The same facilities are urgently needed at Foleyet, another railroad centre of about 500 people. At Foleyet the staff of The Department of Lands and Forests occupy about 25 homes, supplied with electricity by a departmental diesel plant, if my information is correct. But the rank and file of the population have not even this modest service. May I ask that the Hydro organization view this modest request seriously, and in the immediate future.

I must congratulate the administration on its proposals to establish technical schools or junior universities in considerable numbers. I trust that in their wisdom they will see that one of the first is established in our vicinity.

The need for engineers and for technical help of all types is very urgent in a country like ours. Our thousands of workmen make good wages; most of them are ambitious for careers for their sons and daughters. Opportunities are all around them for the employment of trained men and women. But unfortunately, most of our folks would find it difficult to finance a university career.

All through the great Sudbury district, we live in an atmosphere where technical training opens the door to opportunity. I suggest that most earnest consideration be given to placing in our midst an institution of learning which will be of such great advantage to our boys and girls who are launching their careers. In our great industries there are tremendous scientific achievements

to be observed and studied at first hand, another reason why we have a solid claim for these projected educational facilities.

Mr. Speaker, may I say that we are gratified by the increase in education aid—from \$4 to \$6 per pupil—a change most welcome in a relatively new and growing rural community. It is, among others, an important factor in encouraging home ownership. I hope that the process of shifting more of the load in relation to health, education and welfare from the shoulders of the municipalities to those of the province, and perhaps I may add the Dominion, in the fulness of time, is one which should continue.

Mr. Speaker, I think we are all impressed by the very great volume and importance of the legislation before us at this session of the assembly.

Our Budget has attained great proportions, but our financial position is sound. Our securities are sought for and command respect in the money markets of the continent. The huge investments we are making in hydro, in education, in health and hospitalization, in highways, in forest protection, and in many other avenues, are necessary for our development. They are necessary to maintain our standard of living. They are necessary to guarantee our future.

Mr. Speaker, we have an hon. Prime Minister (Mr. Frost) who combines vision and courage with a high sense of duty and a real concern for the welfare of his fellow men. He holds the affection and respect of the people of this province and of this Dominion. He is aided by a group of hon. Ministers, each of whom continues to make a worthy contribution to the public life of Ontario.

Mr. Speaker, if the occasion arose today, I am sure the verdict of June 9 last would be repeated in even stronger terms.

MR. R. WHICHER (Bruce): Mr. Speaker, tonight, as I rise to speak on this Budget debate, my mind goes back to a month ago when I spoke on the debate on the motion in reply to the

Speech from the Throne. May I say that while it is impossible to learn too much in that space of time, nevertheless I can now regard myself as possessing more knowledge than I did at that time.

May I say too, Mr. Speaker, that we as the Liberal group in this House have attempted to be very fair with the government, perhaps too fair. By so doing and by confining our remarks to criticisms of a constructive nature, we hope that the government members of this House have given us full marks for attempting to create a feeling of sincerity and dignity around us, the Liberal members of this Legislature.

We have obeyed fully the rules of the game and criticisms of the government have been in all cases given across the floor of the House, and not thrown idly at public meetings where government members have not had the chance to answer. Such was our motive and we hope that we have been successful.

I wish to say, though, with all the force that I can muster, that I have been amazed at some of the accusations that have been hurled at the Liberal group here, and more particularly the federal government in Ottawa, by both the Conservative and CCF hon. members of this House. May I say too that I have been critical of myself for sitting in my seat and allowing some of these statements which have been grossly inaccurate to go unchallenged.

My only excuse, Mr. Speaker, to myself, to the federal government, and to the thousands of Liberals in this great province, is that as a newcomer it was necessary for me to get some background as a member of this Legislature, so that my answers and remarks may be fair and unbiased but, at the same time, represent the point of view of the Party to which I have the honour to belong. While still being politically young, the time has now come for me to take a definite step.

Mr. Speaker, I say this to you, and through you, particularly to the 84 Progressive Conservative members, the 3 CCF members and, more especially, to the people of the province of Ontario,

that I am proud to be a member of this Liberal Party both provincially and federally. To hear some of the government members speak, one would think that it was almost a crime to be of such a belief. If such is the case, there are many, many criminals in this great land.

How often have I heard the federal government chastised from the benches opposite? Member after member, led by the hon. Prime Minister (Mr. Frost) has stood up and said that federal spending is decreasing while provincial and municipal expenses are ever on the up-lift. All of the burdens of governing, the trials and tribulations, the evils of our tax structure are all placed at the federal government's door.

Mr. Speaker, with all of the power at my command, I say again that I am proud to be a member of the Liberal Party not only in Ontario but equally so as a Canadian. No other Party has done more for its country in the whole world than the Liberal Party in advancing social security measures for the individual welfare of all of us in this great country which, in turn, has helped to create a happier nation. This has helped to create in each individual a human dignity and an advantage as a Canadian that no other citizen in any other country can equal.

I wish to remind the hon. members of this House that such things as family allowances were advanced by the Liberal Party in Ottawa, and entirely paid for by the federal government, that government that is so useless, according to the feelings of some hon. members. It may well be that many of those present do not require the financial help of such things as family allowances. I emphasize that there are many people who do. Well I remember one young mother, who had 6 children in a rural area, telling me how much it means that, come what may, on the 18th of every month she gets a cheque for \$35. What that cheque means to that young mother can be retold thousands of times across the Dominion and, indeed, in our own province. It gives our families a little

more security, and thus accounts for a little more happiness.

This legislation was advanced by a Liberal government in spite of great Conservative opposition, particularly by the then Premier of Ontario, the hon. George Drew, and at least morally supported by the hon. Prime Minister of this province, who was then the Provincial Treasurer.

Mr. Speaker, I challenge any Conservative member in this assembly, including the hon. Prime Minister, to stand up now and tell us that they are against this legislation.

Let me remind you, too, that such advanced legislation as The Unemployment Insurance Act was put through by the Liberal government in Ottawa. There has never been an Act that did more for the individual who happens to need this legislation, than this. What happens when I am out of a job? Do my family starve? Well, it may be that the \$36 per week that I would receive as a married man out of work will not buy chicken and steak, nevertheless it will buy bread and butter, until I have a chance to find a job. Liberal legislation—and I am proud of it—provides a little more security for the individual who needs it, and by that security a chance for more happiness.

What about you and me when we reach the age of retirement? What happens to old "Tom" Smith when he becomes too old to work? While it is true that the level of The Old Age Security Act at \$40 per month will never make anyone rich, it has at least been a fine piece of legislation put through by the Liberal government at Ottawa about 3 years ago. Once again, more security for the individual, a better chance of happiness put through and entirely paid for by the federal government for the good of all the people.

And may I remind you, too, that besides paying the complete bill for such things as family allowances and old age security, the federal government in Ottawa pays 50 per cent. of the cost of old age assistance, 50 per cent. of the

disability pension, and 75 per cent. of the assistance to the blind. This social security legislation, costing very close to \$1 billion each year, has been a wonderful thing for the welfare of all of us as a nation.

Mr. Speaker, there is one other form of social security that we must get as soon as possible. I refer to the legislation that must come, hospital insurance and, leading from there, health Insurance. This is one of the final gaps of the proposed social security legislation advocated by Liberals across this country for years. We must have it, may I say to the hon. Prime Minister, and we are going to have it sooner or later whether his government gives it to the people of the province or not.

In passing, may I say this: As a member of the standing committee on health, I consider the meetings that we have been having to study hospitalization insurance a complete farce as far as getting any action is concerned. There we sit as private members, listening to experts talking to us about a proposed plan that has never been presented. Speaking in Kitchener on May 26 of last year, the hon. Prime Minister said, and I quote:

The Conservative administrations of the last 12 years have been working quietly but efficiently on a sound foundation for health and hospital insurance.

Mr. Speaker, I suggest to you that the hon. Prime Minister has already made up his mind. All of the figures, all of the expert advice, have been at his disposal. Let's get off the hook. Let's hear the verdict, yes or no.

We, as a committee, are presented with a book of proposals and studies on health insurance. Does the hon. Prime Minister suggest that we can't read? Everything that has been discussed up to yesterday is in that book. And the irony of the situation is that no matter what we propose, the hon. Prime Minister has said that he will not necessarily accept this recommendation.

Mr. Speaker, inasmuch as in this present session we have heard reports

of select committees on smoke and toll roads, and inasmuch as I regard the necessary legislation to enable hospital insurance to come into being as much more urgent, therefore I respectfully suggest that a select committee of members on health insurance be set up, and that that committee visit immediately the provinces of this country already having hospital insurance, talk to the people who administer it, talk to the citizens on the street, see for themselves the various ways of financing such a plan, digest it, bring in a report, and at least a plan to the Legislature, tear it to pieces if necessary, and get on with the job.

Before leaving the part played by the federal government in the governing of the people of this Dominion, may I remind all those hon. members present who have been criticizing it so bitterly that, at the present time, defence and veterans' pensions are costing 43 per cent. of the federal budget, welfare measures that I have already mentioned almost 20 per cent., payments to the provinces 9 per cent., and the interest on the public debt 10 per cent. Anyone can see that this leaves less than 20 per cent. for the ordinary running of the various government departments which are so many.

Much has been said during this session, particularly by the hon. Prime Minister, that the federal government is not treating Ontario fairly. May I remind all of the hon. members present that Ottawa's offer has been increased from \$151,700,000 in the 1956-1957 fiscal year to \$219,470,000 or 23.9 per cent. more than under the present scheme. In spite of this very substantial offer, the hon. Prime Minister has been talking of trying to get another \$100 million from Ottawa.

May I say this, that if hon. Mr. Frost is sincere in his demands, and that if he really believes that this province is being cheated out of the huge amounts of money that he suggests, there is only one thing for him to do, and that is to forget about an agreement with the federal government and to tax, as a province, the way that we did before there

were any agreements with the federal government in the 1930's.

I suggest to the hon. Provincial Treasurer (Mr. Porter) that he stop crying about this and appreciate the fact that the federal government's offer has been very just and fair. His whole argument is completely unsound and biased to a degree of silliness. It is based on the fact that, because we have such huge concentrations of industry and large corporations located here, all of the taxes paid by them should come back to the province.

This is completely without foundation. The huge head offices located in Ontario, it is true, do yield tremendous taxes. But let me remind all the hon. members present that their profits come from business done in every part of Canada, and it is not only fair but essential that some part of the taxes they produce should be used to assist the less wealthy provinces.

The hon. Prime Minister's famous statement of March 9 was about the most unrealistic prediction that I have even known him to make. After telling the people for many years of the great future of this province and, indeed, the whole country, he suddenly makes a prediction that, because he didn't get all that he wanted in Ottawa, this country would be brought to the brink of economic disaster. That was a very foolish statement for a man in his high position to make, and will carry no weight whatsoever with clear-thinking Canadians.

At this time, I would like to quote from an editorial by Grant Dexter in the *Winnipeg Free Press*:

No more selfish and grasping policy in behalf of Ontario, the wealthiest part of Canada, has ever been advanced since 1941, when the first of these Dominion-provincial conferences was held.

I would like to point that out to the hon. Provincial Treasurer that there are people in this country who disagree with him, and I do not think they are all wrong.

MR. LAVERGNE: Not in this province.

MR. WHICHER: I would like to quote from an editorial in the *Toronto Star* as follows:

The federal argument against any further boost in payments to the provinces not only takes into account Ottawa's heavy responsibilities in regard to defence and social services, but the fact that many federal costs today contain a high element of provincial constitutional responsibility. During the war and since, the federal government has been progressively assuming the cost of many social welfare measures that were previously the responsibility of the provinces.

While this is true of all provinces, it is pointed out that Premier Frost is asking for a bigger share of the tax field than Ontario made use of when it had the opportunity — before the war, and from 1947 to 1952, when the present tax rental agreements were drawn up.

Moreover while he is clamouring for a larger federal slice, Mr. Frost has not exhausted all the tax fields at his disposal. For example, he could impose a sales tax . . .

HON. MR. DUNBAR: Is the hon. member saying all this?

MR. WHICHER: No, I am only quoting this from the *Toronto Star*.

HON. MR. PORTER: Is the hon. member in favour of it?

MR. WHICHER: The hon. Prime Minister's whole argument has been that we are so wealthy we can't carry on. Such nonsense! He expressed fears that British Columbia and the Maritime provinces would be the first ones to face the economic disaster that he prophesied. Poor old British Columbia, in such dire straits! Yet they have a health scheme that we haven't got. They supplement old age pensioners by \$20 a month on a means test basis, and this province which even the Prime Min-

ister did not suggest was approaching economic disaster does not give one additional nickel to the pensioners at all, except \$20 for rent only in needy cases, of which \$8 must be paid by the municipality.

As a private citizen and as a member of this Assembly, I am not proud of the way that we treat our old folk who, but for the grace of God, might be your father and mother or mine.

I remember in the early part of the session the hon. Prime Minister waving his hand across the floor of the House, and saying to the hon. members from Grey South (Mr. Oliver) and Brant (Mr. Nixon) "For shame", because certain Hydro contracts had been cancelled years ago.

I say to the hon. Treasurer through you, Mr. Speaker, "For shame" for the way that he, as a leader of this government, has treated the old age pensioners.

The hon. Prime Minister is a "great one" for recalling the history of this province. He likes to remind everyone of the traditions of the past. May I remind him that without those old folk there would be no history. There would be no Ontario. They have made this country. It is not an obligation but it is a privilege that we should look after them. His own hon. members desire this. If it were only possible to have a free vote in the House, legislation to assist these people would pass immediately. Members in his own Cabinet would support it. I defy anyone present to say that they would not.

I remember so very well during the last election campaign calling on an old couple in Cape Croker Indian Reserve. I will never forget the look of hopelessness in the old people's eyes as they asked me most sincerely to try and do something for them. Their pension gave them only enough to eat; they could not buy any new clothes for themselves.

This story can be repeated in thousands of cases across this great province that is so wealthy that it cannot help. I think of another dear old lady who is paying \$30 a month for rent. Up to the present moment she has been

able to supplement her earnings by sewing. Unfortunately, her eyes are weakening and no longer can she make any money in this way. I ask the hon. members what she is going to do.

What are we going to do? In the province of Saskatchewan \$20 is supplemented by the province to needy cases and in Alberta \$15. In the Budget brought down by the hon. Provincial Treasurer there is a table showing that, in the next 10 years, \$8 billion will be used for Ontario's public capital needs. These are very necessary projects, and I agree with them, but does it not seem ironical that in this Budget there is this huge sum of money, and not even an additional 8 cents for our old people who really need help?

In the Budget, too, is an item for \$100,000 grant for a zoo. One hundred thousand dollars for monkeys, not a dollar for our old folk!

After listening to hon. government members, and indeed the hon. Provincial Treasurer, I am greatly confused in deciding whether there has been a surplus in this particular Budget or not. When I hear the hon. member for Riverdale (Mr. Macaulay), who gave a very fair speech, say that there is no surplus, and then hear the hon. member for York West (Mr. Brandon) boast of the 13th consecutive surplus, no wonder I am confused. Probably everyone is.

It is not my intention tonight to go too deeply into the financial aspects of the Budget. That has been most capably covered by our own financial critic, but there are several observations that I wish to make. The first one is this: since the present hon. Prime Minister took office on May 4, 1949, this government has gone into debt at the rate of \$100,000 per day, or a little more than \$4,000 per hour.

No one would be so foolish as to say that, in the development of this great province, capital debt is not necessary. But I say most emphatically that debt at this great rate must be watched. The hon. Treasurer can talk all he wants

about revenues being much higher now, and thus our debt pictures being in a much brighter perspective than formerly.

But I say to him that it must eventually be paid back. Let us not forget that some of the items, such as roads, listed as capital expenditure depreciate very quickly. The argument that we are in good shape because our net per capita debt has increased very little is nonsensical. A \$5,000 debt by the head of the house in a family of 5 does not mean that each one owes \$1,000. The truth that we all know is that the original debt is still \$5,000, whether there are 2 in the family or 10.

But it is concerning the retirement of this debt with which I am most perturbed. The hon. Treasurer has presented figures to show that, on a 50-year basis, we are paying off more of the debt each year than is necessary to retire it at the end of that period. The point is, Mr. Speaker, that there is not necessarily any orderly retirement of the debt. There is no legislation that demands that so much be paid off each year.

The people of the province are at the complete mercy of the whims of the government. If they wish to retire a certain amount of the debt they may do so, or if they decide not to pay off a nickel they do not have to do it.

This is not good business. Too much power with too many millions of dollars, particularly in election years, is at the disposal of whatever government is in power. If a huge corporation such as Metropolitan Toronto must have an orderly retirement in debt, then this province is not too big to do the same thing.

One of the things that has irked me a great deal while sitting in this Assembly has been the perpetual insistence by the hon. Prime Minister that the plight of the municipalities and the real estate owners in the province is caused by the federal government's lack of interest in them and by not helping them out financially. What nonsense!

MR. G. LAVERGNE (Russell): The hon. member does not know what he is talking about.

MR. SPEAKER: Order.

MR. D. MacDONALD (York South): The hon. member for Russell was a Liberal at one time; what does he know about it?

MR. SPEAKER: Order. If anyone wants to ask a question of the hon. member who is speaking, and the hon. member wishes to answer it, it is perfectly all right, but if he does not wish to answer the question, it will not be permitted.

MR. WHICHER: It is too bad the hon. Prime Minister is not in the House to keep the government members in shape.

MR. SPEAKER: Retract that.

MR. WHICHER: Retract what?

MR. SPEAKER: The hon. member said we did not recognize somebody; retract that.

MR. WHICHER: Mr. Speaker, what I said was, it is too bad the hon. Prime Minister is not here tonight; do you not want me to say "it is too bad"?

MR. SPEAKER: No, the hon. member made an inference that if the hon. Prime Minister were here, some things would be retracted.

MR. WHICHER: Mr. Speaker, I retract anything you suggest.

MR. SPEAKER: I repeat, if anyone wishes to ask a question of the hon. member who is speaking, and the hon. member wishes to answer it, it is perfectly all right, but he does not have to answer while he has the floor. Also, hon. members must recognize the chair.

MR. WHICHER: The municipalities of this province are creatures of this government and it is this govern-

ment's duty to help them, a duty that has been sadly neglected for a long time. How many times do you have to tell us that you are giving 10 times as much in education grants as the last Liberal government? Why don't you say that you are giving 20 times as much as the Henry government? I might just as well compare the expenditures of the federal Defence Department now with the defence expenditures of the last Conservative government in Ottawa, or the amount given in all forms of federal government aid with that given by the last Conservative administration in Ottawa.

Why not get down to a proper base? You give the municipalities only what you originally took from the citizens in the form of taxes, and you are not giving enough, and what you are giving is not given fairly. It seems that every year real estate taxation is going up in the municipalities of the province. To the members of the government I ask this question. If the present municipal expenditures continue to increase, what is going to happen 10 years from now to the poor real estate man?

With that question, Mr. Speaker, I will leave the municipalities, and for a few minutes I wish to speak on something which affects my home riding very closely. I refer to the agricultural situation in the province of Ontario, and more particularly how it affects my own riding.

After listening to the Estimates of the hon. Minister of Agriculture (Mr. F. S. Thomas) the other night, which I thought were presented very well, it seemed to me everybody, all of a sudden, had a feeling in this Assembly that everything in regard to agriculture or industry of this great province is fine. I wish to point out to the hon. members of the House, Mr. Speaker, that as far as I am concerned I have not seen one single constructive piece of legislation or anything that is going to help out the farmers of Ontario in this Assembly during the last couple of months — not one.

HON. D. PORTER (Provincial Treasurer): Mr. Speaker, when the resolution, by the hon. member for Bruce was called, he was not in his place.

MR. WHICHER: Yes, Mr. Speaker, may I reply to the hon. Provincial Treasurer, by saying it is very nice the way his Party can call things in the House when hon. members are not here.

MR. MacDONALD: I would not be proud of that.

MR. WHICHER: I would not be too proud of that, either, if I were the hon. Provincial Treasurer.

HON. MR. PORTER: Well, Mr. Speaker, I would not be too proud of being absent.

MR. SPEAKER: Order.

MR. WHICHER: I am thinking about a particular farmer who, incidentally, came from the riding of Kent. Last year he bought some cattle. He fed them all winter, provided them with hay, feed and so forth, and last week he sold them and his net profit was \$1 per head.

Mr. Speaker, the blunt truth about this is that the farmers of this province simply cannot carry on, the way things are going. While it may have been true that in the thirties, during the depression, when the price of cattle, hogs and so forth was very low, they could carry on, because they did not have heavy expenditures for machinery, hydro and so forth. I wish to call hon. members—

HON. MR. PORTER: If the hon. member had been here at the time his Bill was called, and told that story, the Bill might have carried.

MR. WHICHER: Did the hon. Provincial Treasurer ever hear the story of Cinderella? It has about as much truth as some of the things he tells.

MR. SPEAKER: Order.

MR. WHICHER: Mr. Speaker, I wish to leave this impression if I can, and I say it most sincerely, not politically in any way.

HON. MR. PORTER: What is the difference between “political” and “not political” in the hon. member’s Party?

MR. F. R. OLIVER (Leader of the Opposition): The hon. Provincial Treasurer ought to know.

HON. MR. PORTER: But the hon. member for Bruce is making a distinction.

MR. SPEAKER: Order.

MR. WHICHER: The farmers of this province and the agricultural industry are in a desperate plight, and I say this more particularly because we have been led to believe that the agricultural industry is in a period of reconstruction, or is trying to get to a solid base, which may take another 4 or 5 years.

The farmers cannot wait 4 or 5 years. We may as well face that situation first as last. With the heavy expenditures for machinery, and the heavy capital costs they now have, they simply cannot do it. The hydro bill has to be paid every month, or every 2 or 3 months, and they have not the cash to pay these things.

Farmers are leaving the land every day, and I suggest if the thing is going to carry on for another 4 or 5 years, theirs will be a terrible plight indeed.

Now what is my solution?

HON. MR. PORTER: Yes, let us have the solution.

MR. WHICHER: I told hon. members in the debate on the motion in reply to the Speech from the Throne that I had no solution whatsoever.

HON. MR. PORTER: The hon. member has no solution?

MR. WHICHER: No, but may I inform the hon. Provincial Treasurer that he is sitting on the other side of the House, representing the government, and it is up to him to at least attempt to find some solution for the agricultural industry.

HON. MR. PORTER: The hon. member had a Bill on the Order paper, and was not even here to speak to it.

HON. MR. DUNBAR: Where is the hon. member's farm?

MR. WHICHER: I suggest to the hon. Provincial Treasurer that instead of speaking about these things, and trying to create the impression the agricultural industry is in good shape, the government should try to do something about it.

MR. R. ROBSON (Hastings East): What about the hon. Mr. Gardiner?

HON. MR. PORTER: What about the Liberal Party in Ottawa?

MR. WHICHER: I am far more worried about the "Tories" in Toronto than I am about the Liberals in Ottawa.

HON. MR. PORTER: I am glad the hon. member is worried about them. Now he is coming down to "brass tacks."

MR. WHICHER: The hon. Provincial Treasurer would be a great man on a ball team, he can yell louder than anyone I ever heard. Mr. Speaker, I have another topic I wish to bring up.

HON. MR. DUNBAR: It is not the butter question is it?

MR. SPEAKER: Order.

MR. WHICHER: No, it is not the butter question, may I inform the hon. Provincial Secretary. In our little group over here, and in the CCF group, we have the same problem in this regard.

HON. MR. PORTER: Do not bring the CCF in; they may not like it.

MR. SPEAKER: Order.

MR. WHICHER: We are called "members of Her Majesty's Opposition" and, as Opposition, may I inform the hon. Provincial Treasurer—and I think even he will agree with this—our job is to oppose, to the best of our ability, so that working together we may have good government in this province.

I will mention the Liquor Control Board of Ontario, the Hydro-Electric Power Commission, and the Municipal Board. There is nothing wrong with them. We were taken down to the Liquor Control Board's offices and were treated royally.

HON. MR. PORTER: I venture to say the hon. member did not even have a glass of beer.

MR. WHICHER: That is true, but for the hon. Provincial Treasurer I regret I can not make the same remark. As a matter of fact, a glass might do him some good.

We looked over the new Liquor Board store on Front St. Judge Robb talked to us for 15 minutes, the commissioner talked for half an hour, and the other officials also spoke. We were shown through the building, and given a nice lunch, and came back here for the sitting at 3 o'clock. The liquor business run by the commission has budgeted for \$47 million or \$48 million in taxes, to come in during the next fiscal year.

HON. MR. PORTER: Profits, not taxes.

MR. WHICHER: Yes. Our duty as an Opposition is to oppose constructively. I do not suggest there is anything wrong with such an organization. I believe it is capably run, but I say our duty is to look into these things, and if we see anything wrong, to bring it to the notice of the government. How can we honestly make a study of such things, if we have only a couple of hours to look over the situation?

Yesterday, Doctor Hearn from the Hydro-Electric Power Commission spoke to the committee. I asked about

the total debt of Hydro, and he said it was about \$1.5 billion. He was there from 10 o'clock until 10 minutes to 12. How could we conscientiously go into such a big business, in an hour and 50 minutes?

HON. MR. PORTER: Why did the hon. member not ask for an adjournment to the next day? I suggest it was because he ran out of questions.

MR. WHICHER: We had only one day. We have tried since the session started.

HON. MR. PORTER: Dr. Hearn is at the disposal of this House.

MR. WHICHER: How could we look into such things as the St. Lawrence waterway, the dealings of Hydro, or the municipalities in an hour and 50 minutes?

HON. MR. PORTER: I never thought the hon. member showed signs of touching any of them.

MR. WHICHER: We have the Municipal Board, which is run by this government, and many other boards. Let hon. members opposite place themselves in our shoes. We are not trying to find anything wrong, but we want to be able to understand these things as the hon. members of the government understand them. How can we do that in so short a time?

The Hydro Commission is of great importance to this province. The government should understand our predicament, in trying to deal with such a huge subject, in such a short time.

MR. A. COWLING (High Park): Would the hon. member permit a question?

MR. WHICHER: Yes.

MR. COWLING: With reference to the committee on government commissions, on which it has been my privilege to act, it was never intended that one was to learn all about commissions at the meetings. I suggest that, starting

now and continuing for the next 2 or 3 years, the hon. member is entitled to look into any of the boards, or commissions. If he starts now, he will have a pretty good idea by the next session.

MR. WHICHER: In reply to the hon. member for High Park, I think he has stated the position very fairly. He has been on the commission, as have I. I agree we do not have to find out all about these things at the meetings. My point is, except for the vice-chairman of Hydro, who gave us some information in this Assembly, there is no report by Hydro to the people of the province of Ontario, through this Assembly. There is only a financial statement, which no layman can understand. I suggest in future sessions the government should take into account the desirability, at least for the good of the Opposition, of enabling us to delve into such things as I have mentioned.

In spite of some of the barbs which have been thrown across the floor of the House this evening, in fact, all during the session, I want to say that I appreciate very much the way I have been treated since I came to this Assembly.

I come from a very small place. I did not know anything about the way in which matters are handled in this House. I do not mind even the remarks of the hon. Provincial Treasurer tonight. I say that I have been treated with the greatest respect, and I want this House to know it.

MR. D. KERR (Dovercourt): Mr. Speaker, in rising to take part in this debate, I would like to congratulate the hon. Provincial Treasurer (Mr. Porter) on the manner in which he presented the financial statement of the province. I have listened to the hon. member for Bruce (Mr. Whicher), and would like to make some comments in answer to him. He began by stating that it was looked upon as a crime to be a Liberal. I might remind him that somewhere, sometime, somebody said:

The things we see outside are very often a reflection of those things that are within us.

When he is finding fault with the government, the chances are the fault lies, not where he is looking, but in the reflection of that which is within him.

He said this government should be ashamed of the pittance it gives to old-age pensioners. There is no one more desirous of seeing old-age pensioners get more than I. I have advocated it every time I have spoken in this House. The hon. member ought to direct his attention to Ottawa, where the \$40 a month was set. They set the amount and we have to pay it. I remind him of my comments the other night, that if he can get the hon. Mr. Harris to hand back what he collects for old-age pensioners in this province, and allows us to handle it ourselves, the old-age pensioners will be taken care of adequately.

I am no farmer, but he dealt with agriculture, and I could not help but think of those elevators at the Head of the Lakes, which we saw on the trip, packed full, in fact, they had to move some grain out of one of them in order to show us how they would move a car. I am reminded of the markets in England, and the Rt. hon. Mr. Howe says, "we have not lost the markets, they are still over there."

What a remark for an intelligent person to make, to have us try to understand, the markets are still over in England. If agriculture in this country is to succeed, it must have export markets. The export markets are the responsibility of the Rt. hon. Mr. Howe and hon. Mr. Gardiner in Ottawa. How about them doing something for the farmers, then the farmers can do something for themselves. Give them a chance.

Mr. Speaker, while dealing with the remarks of the hon. member, there is another little note I have here. I wonder what he meant when he said in a radio broadcast, in regard to the hospitalization plan which we have been discussing, that the federal government would not come in, if for no other reason than that Quebec does not want it. Was he speaking for himself, or the

Liberal Party in this House, or was he speaking for the Liberal Party in Ottawa? Such statements should be well weighed before they are uttered.

I would like to compliment the hon. Minister of Public Works (Mr. Griesinger). We have sat now for almost 9 weeks in this session, and whether it has been an oversight or not, in not mentioning it, I do not know, but the walls of this stately Chamber have been redecorated, and I think he is to be congratulated on the beautiful job he was done to enhance the beauty of this building.

While I am on that subject, also I would like to congratulate him on another matter. Last year, I made a few remarks in regard to the Canadian Nation Exhibition Government Building, which is in my riding, asking that something be done to brighten it up, and its exhibits, during Exhibition time. I want to congratulate, not only the hon. Minister, but all the various departments for their exhibits at the last Exhibition. They were indeed a vast improvement.

I cannot agree with one of the newspapers which made a comment that it would have been better if the time and money had been spent on the Skyway at Burlington Beach rather than on the exhibits which were placed for the public to see in that building. I cannot agree with such sentiments. I think it was entertaining and educational, and the imagination of those responsible painted to the people of Ontario the beauties as well as the industry, the mining, the education and the health department of this province, and climaxed it all with a beautiful exhibit by The Department of Lands and Forests.

Mr. Speaker, we are living in an age which, for the past 10 years, has made the greatest progress and has had the greatest growth in all the history of the past, in Canada. A population of 4 million some 10 years ago increased to over 5 million today. That will give you an idea of how this province is constantly growing. We have had an increase in population of

150,000 in one year, and it is growing and growing.

Living standards have increased 35 per cent. in the last 12 years, and they have brought with them their problems. The aged people are having a hard time. We have at this session given to these aged people a \$20 increase. Sixty per cent. of that \$20 is being paid by this province, and we are willing to go further. If the federal government will step it up, this province will step along with them.

After listening to all that has been said by the various speakers since this House opened, I wonder if we are aware of the fact that we are living in an age which is different from what it was even 5 years ago. We are facing different problems than we had to face 5 years ago.

The economy of this province is changing rapidly, and changing every day, and yet the time of this House has been spent listening to speeches about a report that was made in 1934, and some even going back as far as 1910. We are living in the age of automation. Are we grappling with it? Are we trying to understand it? Or are we finding fault with the government because our forests, according to what somebody said 25 years ago, will be depleted? The chances are, 25 years from now, in this age, we will not need any wood at all, we may be using plastic or some other substitute.

MR. MacDONALD: Never deplete the forests.

MR. KERR: It is not a case of depleting the forests; it is a case of living in this age, and recognizing the problems we have to face, instead of wasting our time talking about something that may never happen.

We are living in an atomic age. We have the Cobalt bomb to look after certain medical problems, and the chairman of the Hydro—

HON. MR. DUNBAR: The hon. member is talking over the head of the hon. leader of the CCF Party.

MR. SPEAKER: Order.

MR. KERR: I am sorry if that is taking place, but there is not very much I can do about it.

MR. OLIVER: I do not think there is.

MR. KERR: Dr. Hearn, the Ontario Hydro chairman, has predicted that by 1980, nuclear power plants may account for roughly 10 to 50 per cent. of the total generated power capacity of Canada. Power generated from nuclear energy is something this province will have to face.

MR. MacDONALD: Not from Dovercourt.

MR. MALONEY: Nor from York South.

MR. SPEAKER: Order.

MR. OLIVER: You may proceed.

MR. KERR: Mr. Speaker, may I for a moment quote these figures from the *Globe and Mail*:

Mr. MacDonald gave figures revealing that of every 100 children entering school at Grade I only 31 remain at Grade XI, 21 at Grade XII.

You remember that speech. I heard that speech 6 years ago by the secretary of the CCF. I wonder if we are living in an atomic age or are we still back there?

MR. MacDONALD: You are preaching sermons on texts which were written 2,000 years ago.

MR. SPEAKER: Order.

MR. KERR: We have heard the Opposition saying that so far as the present government is concerned, there will be no hospital insurance plan, that the hon. Prime Minister has been "pulling wool" over people's eyes, and many similar statements. May I quote from an editorial, which I think is logical?

There should be caution rather than enthusiasm in the acceptance of the proposal of the Dominion government to enter into a national health programme.

MR. MacDONALD: What is it from?

MR. KERR: I will tell you when I have finished reading it:

The fact should never be lost sight of and everything must be paid for. Such a scheme would cost millions, and those millions would have to be provided in one way or another by the Canadian taxpayer. Just because the Dominion government comes into the picture does not mean Santa Claus has arrived; Santa Claus' dollars in this case are our dollars.

It has been indicated that health insurance will throw anything from \$120 million to \$180 million extra on to the Budget load. There is no escape from the fact that health expenditure would be heavy. Before launching the government into yet another sphere of our daily lives, we should take a second look at the remarkable expenditure. Today Canadians have provided for themselves—

MR. MacDONALD: You are against the plan, are you?

MR. KERR: Please be quiet, you have been jumping up and down ever since you came into this House.

MR. SPEAKER: Order.

MR. KERR: Just like a jack-in-the-box.

At the close of 1955, nearly 6.5 million Canadians were covered by voluntary insurance against hospital expenses. In addition, nearly 5.5 million Canadians have insured against surgical expenses while some 4.25 million Canadians are insured under medical expense plans.

This shows an amazing growth on the private insurance since the early '40s, when only about 500,000 Cana-

dians were protected by hospital expense insurance and less than half that number by surgical and medical expense insurance. Progress has been particularly rapid during the past 5 years. Before the public makes a decision on such a huge venture—

And as for "pulling the wool" over somebody's eyes I think this is the "punch" line:

—the price tag should be displayed to the people. Maybe it could be done better and cheaper by continued extension of the network of voluntary hospital and medical plans. These plans leave individuals free to spend their own money as they see fit.

MR. MacDONALD: Obviously he is against it.

MR. SPEAKER: Order.

MR. KERR:

And thus avoid further the entangling web of socialism.

That is from the Kamloops, British Columbia, *Sentinel*.

In regard to the hon. Minister of Health (Mr. Phillips) and his department, if the hon. member for York South (Mr. MacDonald) will be quiet, I will have a chance to say something. He has spoken enough this session.

I do not want him running around like his cohort who, in my riding, during the last election put words into my mouth, as the hon. member is trying to do here, and go running up and down the riding saying I, and this government, voted against old-age pensions.

They went up to Renfrew county to tell the people there. After the last election, he sent his lieutenant—who happened to be my opponent—and they had a post-mortem on why the vote in the last election was what it was.

I can tell them why it was what it was, because the hon. Prime Minister of this province told the people the truth, he laid his programme of government before them with honesty and

integrity. Despite the sneers of all the Opposition Parties, the people believed him, and returned him and his Party to power. Let me warn the Opposition Parties that unless they deal truthfully, honestly and uprightly with the public of this province, they might as well quit.

Mr. Speaker, I have a little note here that I copied from the *Monetary Times*, and after listening to the hon. member for Bruce (Mr. Whicher), I was wondering if his name might be added to this paper. It says:

Any day he wants, William Ben Dickson, parliamentary assistant to the Minister of Finance, can have the Liberal leadership in Ontario, but the M.P. from Rainy River-Kenora is not interested. More interested is "Bill" Henderson, Kingston Liberal M.P. and trusty of the hon. C. D. Howe.

Perhaps the hon. member for Bruce is "preaching for a call." As the hon. leader of the Opposition (Mr. Oliver) said when we, as novitiates, presented ourselves to this House and started to speak, "I think the chickens are coming home to roost."

Mr. Speaker, the last time I spoke in this House I had quite a little to say on education, and I mentioned especially the shortage of teachers in the rural areas. Now, a year later, we might well ask what effect The Department of Education's activities have had on the lack of teachers, and suitable physical facilities being established in rural areas.

One of the things the department does for these communities is to provide higher grants on approved costs, that they may maintain in education this ratio of payments, which runs as high as 90 per cent. of approved cost. This enables a willing board to embark on something better in the way of building for the purposes of education.

But one thing I observed, which could do more for those places than much that is being done in the way of grants, is they are being bound together in the form of township school areas.

We have heard very little about that this session, and I wonder if the hon. members can see the advantages. Considering first, the cost, the larger areas can draw on a much larger assessment for taxes; further, there is a special grant given from the department to each former board adjoining an area.

Other economies become apparent once the size of the actual operation is increased. One is a lower price which may be obtained on construction supplies, as more are ordered at one time. Fewer caretakers are required, and full-time caretakers are employed, instead of part-time. Pupils may be transferred from one area to another, in order to lessen the load on a teacher.

These are just a few of the economies. Another point is the benefit received by the pupil in this larger school. The rural pupil has the same benefits as the urban pupil, and although this is not the specific purpose of these area boards, nevertheless, education in our rural areas has advanced tremendously.

One other virtue these township areas present is the easing of the effort to entice good teachers to work there. The school is central, it is modernly equipped, it has greater attraction than the "little red schoolhouse," and it is possible, through increased assessment over the larger area, to provide a salary schedule which is worthwhile.

There are other advantages the rural areas may enjoy, and legislation has been passed which makes it possible for them to receive the best this province can give. The prosperity of the province is now such that municipal areas are able to compete with some of the larger urban areas in regard to teachers.

I look to the day — and it is not so far away — when our expenditure on education will be on the order of \$200 million and more, and I think it will be money well spent, and a great return will be ours for the dollars we invest in our children's education.

In closing, let me pay tribute to the actual workers on the job, our teachers. They range from the hon. Minister of

Education (Mr. Dunlop), the provincial government, the members of the local school boards, who give so freely of their time to the promotion of better things for the young people, and work so hard to obtain the best for them. Professionally, they range from the senior officials of the department, down to the school-teacher in S.S. No. 10, Mariposa.

Let me say I believe there is no more sincere professional group in the world than the body of teachers in our Ontario schools. It is because of them, in a good measure, that our educational system is envied in many points in and out of Canada. It has been because our system has produced not only scientists and writers known the world over, but better citizens in the back concessions of our province.

We may lack in our pursuit of what is best in education, but rest assured, the teachers in our schools are not lacking in anything along that particular line, and it should be a source of pride to all of us to know that our teachers are among the best rewarded in Canada, as our rate of importations from other provinces will show. It is a source of pleasure to me to have had a part at both the board level, in the promotion of education, and, at this level, to urge the best we can for this occupation, of all pursuits, the most vital for Ontario's and Canada's future.

I recently had the pleasure of attending the opening of the new normal school, and I understand there is another one to be built in the west end of the city. Here is where our power lies for the future, and not in sources of money, and similar resources.

When we think of it, the increase in the number of pupils attending our high schools, the increase in the number of new high schools which have been built, and in the number of high-school graduates, it is small wonder the hon. Provincial Treasurer (Mr. Porter) ended his Budget speech by saying that "education was the most important thing."

There must be — and quickly — an expansion of university facilities. There

must be — there has to be — a training of staff to fill the extra rooms which are needed. True, there is a certain amount of assistance given, but business, which receives the benefit from these well-trained young people, should be the first to come to the assistance of the universities and say: "We will pay our share to make our young people better citizens."

In regard to university bursaries: I have dealt with this subject on a former occasion, but I want to repeat, we are indeed thankful for those who have made it possible for our young people to be assisted financially. They need it. I was talking to a teacher the other day, who happened to be a guidance teacher, who said he was hard put to it to know what to do with the exceptional child. They have started a class in Etobicoke township for these exceptional children, ones with above average IQ's. Those pupils attended one of the sittings of this House this year.

Those young people are being given an opportunity to use the latent talents which are in them, for the good of Canada.

I might mention the various foundations which lend their support, because it does not matter on what side of the track you are living, the brain that God has given you, if it is used, will show itself in the IQ tests. Many of these young people are living on the wrong side of the tracks, and need assistance, and help.

When I think of the Bickle Foundation, the Atkinson Foundation, the John Ross Robertson Foundation, and all the others, I realize what a vast field is here. I think of organizations like Canada Packers, and the Merchants Association, who make possible bursaries through the Toronto Board of Education, everyone of them helping the boy and girl, with the ability to grasp, to go forward to make this Canada of ours a great country.

In closing, Mr. Speaker, let me say that in this present Budget — a continuation of all the "sunshine Budgets"

that we have received from this government — it is the earnest wish of the government — although I have not the concurrence by the Opposition — that this will be the first of many, and we hope that the present hon. Provincial Treasurer will succeed, not only in presenting Budgets, but in presenting them as long as did the former Treasurer.

Mr. N. Whitney (Prince Edward-Lennox) moves the adjournment of the debate.

Motion agreed to.

NOTICE OF MOTION

Mr. F. R. Oliver moves:

"THAT a select committee of the House be set up to examine into and report upon the adequacy of The Municipal Act, The Municipal Board Act, and The Assessment Act in relation to the present-day requirements of municipal government.

"And THAT the select committee have authority to sit during the interval between sessions and have full power and authority to call for persons, papers and things and to examine witnesses under oath, and the Assembly doth command and compel attendance before the said select committee of such persons and the production of such papers and things as the committee may deem necessary for any of its proceedings and deliberations, for which purpose the hon. Speaker may issue his warrant or warrants."

Hon. members are well aware these Acts need revision. The Municipal Act has more patches in it than whole cloth. These Acts should be revised and brought into conformity with present needs.

Select committees have been used by the Legislature to deal with various Acts of the Legislature, and there is no better way of bringing them up to date.

The hon. Minister of Municipal Affairs (Mr. Goodfellow) has an advisory committee, headed by the hon. member for York West (Mr. Brandon).

Such a committee can do something worthwhile but I suggest that the examination of these particular Acts requires a select committee of the Legislature, as a whole.

The difficulty with the advisory committee I have mentioned is that it was appointed by the government to act in an advisory capacity to the hon. Minister. The Legislature as a whole had nothing to do with its appointment, and they will have nothing to do with its direction, they will have nothing to do with the subjects on which it will be asked to meditate and report, and they will have nothing to do with the type of report it shall turn in. Furthermore, the report will not be available to hon. members in the same manner as the report of a select committee.

I suggest that, as an instrument of government, for the purposes of examination, the advisory committee falls far short of what we have a right to expect, and what is needed in this province at the present time.

HON. L. M. FROST (Prime Minister): Mr. Speaker, I recognize that The Municipal Act, The Municipal Board Act and The Assessment Act have very vast ramifications, going back to the beginnings of municipal governments in Ontario.

As a matter of fact, the present Municipal Act is the successor of The Baldwin Act of some 100 years ago—about 1850. It is interesting that this Act had its origin in a very great political controversy. My recollection is that it was the original Baldwin Act which followed the first Baldwin-Lafontaine government and subsequently enacted on its return to power a year or two later.

In those days, during the Act of Union, none of the administrations lasted very long. The Baldwin-Lafontaine administration was returned, and the Act, which was the forerunner of the present Municipal Act, was enacted. The Act therefore, had its beginnings something over 100 years ago.

Since then it has been built around and altered, but the original conceptions

in it are in effect in Ontario today. The first fundamental change in municipal government was made by this Legislature in 1953, in the creation of a metropolitan form of government in Toronto.

Over the years, these 3 Acts have been changed and altered on many occasions to meet changed conditions.

I remember some 35 years ago in law school, the professor of municipal law at that time, Mr. "Eddie" Long, used to say that "apparently legislators had a field day of recession in changing The Municipal Act and The Assessment Act." I have often thought of that, as we have proceeded during the sessions over many years, and the various governments and legislatures have annually amended these Acts, in order to meet the changing conditions in this province.

This year has been no exception. As a matter of fact, the amendments which have been passed this year are important and far-reaching.

The revision of these Acts is a very great task. It is a highly legal and technical matter, involving knowledge of the Acts, and the operation of the various sections and parts. It is in the field of experts and I do not think is a proper function of a select committee.

The operation of these Acts is also highly legal and technical. I could give an example to the House by the amendments which have been passed in connection with The Public Health Act, which was the subject of debate today. These amendments involved securing the best legal ability we could get together, and the most minute consideration, and the weighing of every word.

I may say to the hon. leader of the Opposition that what was introduced today and presented to the House was a revision of a very small portion of the laws relating to municipalities.

As a matter of fact, the great things which have taken place, pointed to the necessity for the revision of that section. I asked the law officers, when the Bill was presented, and my colleagues were discussing it: "Is it necessary to dismantle these sections, and re-write them in the complicated terms which are be-

fore this House today?" They assured me those revisions were required and were very necessary.

There were matters in relation to the Act, which were referred to some of the hon. members in the House by myself, to secure their opinions in relation to the operation of some of those sections, and I think they will agree with me that to submit this matter to a select committee of the House would be imposing upon them almost an impossible task. The matter requires the consideration and very careful weighing of the effect of these various sections, all of which affect one another in a manner which I think the hon. members of this House would feel requires the re-writing of the Act, and that would be imposing a burden upon them which should not be asked nor exacted. For that reason, recognizing there is a problem in this matter, I ask the House to reject this motion.

I might say to the hon. leader of the Opposition that the committee, of which the hon. member for York West (Mr. Brandon) is chairman, has been charged with, and asked to assume, the responsibility of reviewing, and, if necessary, revising certain sections of the Act. I realize that, in itself, is a very heavy task. If this resolution had been confined to one element of the problem, for instance, the powers of the municipal board, it might have been that in the matter of policies related to the municipal board, and the tendency over the very many years of making the municipal board the receptacle for unsolved problems, and leaving it to the board to find solutions for the many and varied problems, then there might have been some merit in the Resolution.

As a matter of fact, I have wondered about that at various times, but I have suggested to the committee of which the hon. member for York West is chairman that they might look into that one feature of this great problem, with a view to keeping intact municipal autonomy, and also removing from the board the burdens of so many things which have been handed to them over the

years, which perhaps could be removed from them.

A step has been made in that direction by the creation of the new transport board, which will take a great volume of the work from the municipal board. Again, acknowledging to the hon. leader of the Opposition that this is an important matter, which I think will have to be proceeded with stage by stage, perhaps over a number of years. That there is a problem there, which I submit the method proposed of a select committee, could not possibly meet. I think it would lead to not only placing a very great burden on the hon. members, who, to revise any portion of it, would probably have to sit perhaps for weeks on end, dealing with those problems, and I think it is unfair to ask hon. members of this House, or a select committee to do that.

Furthermore, I do not think that is the method by which this should be done.

MR. F. R. OLIVER (Leader of the Opposition): The hon. Prime Minister has almost said there is a need for a revision of these Acts. If we can agree on that, then we move on to what is the best vehicle to use to accomplish this revision.

The hon. Prime Minister has suggested that it would not be feasible to have a select committee of the Legislature to do the examining for at least two reasons: in the first place, that the Acts themselves are so complex it would be difficult for members of a select committee to know just what interpretation to put upon the various amendments which were being proposed.

I do not think that The Municipal Act and The Assessment Acts are that complex. So far as the desirability of a select committee doing this job, let me say to the hon. Prime Minister that a select committee of the Legislature was set up to inquire into The Companies Act, as he will remember. There was a no more complicated Act, I would suggest, on the Statute books, than The Companies Act, and it requires legal interpretations all down the line, much

more intricate than The Assessment Act and The Municipal Act.

Any reasonable person would agree if a select committee of the Legislature was competent to examine into and report upon the revisions of The Companies Act, then a select committee is fully competent to investigate into and report upon The Assessment Act, and The Municipal Act.

The hon. Prime Minister said one more thing—and I want to mention it. He said it would be unfair to ask hon. members to give the time which would be necessary to go into these various Acts. I imagine that the proposal is the advisory committee to the hon. Minister will do this job. If a select committee of the Legislature is going to be overburdened by the task of revision in regard to these Acts, what about the advisory committee to the hon. Minister, which will be charged with the responsibility, not only for revising these Acts, but doing the one hundred and one things which are required by the hon. Minister himself, having perhaps nothing to do with a revision of the Act at all?

I suggest the argument of the hon. Prime Minister is not valid, that it is not a strong one, in view of what I have just said. First, I do not agree that the Acts are so complicated or complex that a select committee could not do a good job in revising them, and I suggest to the House, even at this late hour, and to the hon. Prime Minister, to take the necessary steps, in connection with this matter.

HON. MR. FROST: I would say to the hon. leader of the Opposition that the Statutes of Ontario are revised periodically, and that is done by a commissioner, and they are brought to the House for passage. As a matter of fact, a house committee could not begin to go over the technicalities connected with a revision of the Statutes.

In connection with the construction of The Metropolitan Bill; that was done very largely by Mr. Treadgold, who was then with the department, and by officials

of The Department of Municipal Affairs. I would say that a more reasonable way of producing a revision of The Municipal Act would be by a body composed of such men as Mr. Magone, the Deputy Attorney-General, Mr. Treadgold, who, as a matter of fact, is practicing privately now, but is an expert on municipal law; Mr. Alcombrack, who has a great deal to do now with municipal Statutes; Mr. Cumming, the chairman of the municipal board, Mr. Orr, and Mr. Carter.

I would say they are the parties who should revise the different principles, and then they could be reviewed during a session by a standing committee of the House, and I think in that way, progress would be made.

But I would think to take the problem and toss it to hon. members of this House, either lay or legal, would be asking them to assume a burden which would be altogether out of line.

MR. OLIVER: I cannot follow the hon. Prime Minister when he said a revision might take place by a commissioner, and employees of the department, and the experts we have around the building, for whom I have a very high regard. My experience with committee work has always led me to the conclusion that these experts are invaluable, but not necessarily on a committee. The committee can call upon the advice of these experts, and the two, working together, can formulate the best possible answers to the questions.

I do not agree for one moment that a group of experts are the best ones to finalize this Act we have under discussion. Certainly we should call upon their advice and experience, but it does not follow they should be on a committee, and I do not think they could do a better job than a select committee of the Legislature.

HON. MR. FROST: We will probably have a constructive programme in the course of a year or so for the hon. leader of the Opposition.

Motion negatived.

NOTICE OF MOTION

Mr. P. Manley moves:

"THAT the hon. Minister of Reform Institutions establish (a) a full-scale reception centre to receive, study, diagnose and recommend treatment for all first offenders aged 16 to 25, male and female, sentenced to provincial institutions; (b) that the length of stay be 6 weeks to 2 months, except for short-term prisoners; (c) that facilities be extended in the future to receive all first offenders and all repeaters likely to benefit, as set forth in the recommendations of the committee on reform institutions and appearing on page 222 of that report."

Mr. Speaker, to me this is a very important motion. It was one of the main recommendations made by the select committee looking into reform institutions of which I was a member a couple of years ago.

I want to say, at the outset, that as a committee member, I visited most of the institutions in this province, and I want to make it quite clear to the House now as far as I was concerned, we found in our institutions in Ontario, they were doing a very good job. I do not remember any occasion where there was any brutality.

We questioned the inmates of the institutions on different occasions, and they left us with the impression they were being well treated. I think that is all to the credit of the hon. Minister (Mr. Foote) and the officials in his department.

Of course, the committee made certain recommendations. Some of them have been carried out, but many of them have not, but I do want to commend the government for bringing in the probation system presently in this province. There have been a number of probation officers appointed since the report was brought to the House, and that is "all to the good" for the people of this province.

In presenting this resolution to the House, it is my opinion that a reception centre should be set up for first offenders, so they could be screened, their

cases carefully diagnosed, and where they would receive spiritual counsel, and be enabled to determine to what institutions they should go. At the present time, we have first offenders who are being placed in institutions in the province, with hardened criminals, and I do not think that is good for our younger prisoners.

Therefore, in all sincerity, I think this reception centre should be set up.

The wing at Guelph is a step in the right direction, but at Guelph they have not all the facilities and personnel required to do the tremendous job which should be undertaken in this province. I sincerely hope the government will take into consideration the importance of this reception centre, because we have today the younger prisoners, who have been convicted of different charges, going to various institutions, and I think if we can salvage even a few of them, the reception centre will be well worthwhile.

We are dealing with a class of people who possibly feel that society is against them, and I think we should make it quite plain to them that we are not. Even though they have strayed from the straight and narrow path, we should feel it is our duty to help them, and bring them back into society in any way we can. Therefore, I repeat, I think it is very important this reception centre be set up, where first offenders may go, and receive proper direction as to what institution they shall be placed in, in this province.

MR. D. MacDONALD (York South): Mr. Speaker, may I say briefly that while I cannot share the confidence that the job is being done in our institutions as well as stated by the hon. member for Stormont (Mr. Manley), I can share with him the feeling that the passing of this resolution would assist in fulfilling the functions of the institutions. I have spoken several times on this point during this session, and my support of a proposal of this kind is already on record.

However, I would like to draw the attention of the House to two brief

quotations from the report which was brought down by the committee, of which the hon. member for Stormont was a member, and which produced this report some two years ago.

I would like to quote from page 215, giving the statement of an expert who was brought before the committee, as follows:

Certainly, any treatment plan must relate to the specific needs of each individual offender, to his personal and personality problems, to his aptitudes and skills, to the type of employment likely to be available to him on release.

To discover exactly what his needs are from the very outset, from the time he enters one of the institutions, is the role of a reception centre. This report had this to say about the situation, as far as reception centres were concerned, when the report was produced a couple of years ago, in 1954.

On page 218 of the report, we find the following:

In view of the vast indisputable evidence, the reception wing at Guelph must be regarded as a step in the right direction, but one that obviously does not go far enough. The staff has not sufficient variety of personnel and the time inmates spend there is not ample for thoroughness. The wing serves only Brampton, and part of the population at Guelph; no benefits from it are derived by the institutions at Burwash, Monteith, Burtch, Rideau and Mimico. Nor is there a corresponding organization, even on a small scale, for the women at the Andrew Mercer Reformatory in Toronto.

Essentially the same situation exists today as two years ago when this statement was made. It does seem to me that after a lapse of 24 months, it is about time we take the necessary steps, even if only initially, to see that the recommendations are implemented, and that we will be able to fulfill the objectives of our reform institutions.

HON. L. M. FROST (Prime Minister): Mr. Speaker, I do not profess to speak on this subject, except as one who has very little knowledge. I did discuss this resolution with the hon. Minister of Reform Institutions (Mr. Foote), and with the hon. member for Parkdale (Mr. Stewart), who was the chairman of the committee.

The hon. Minister of Reform Institutions told me that, in connection with this finding of the committee, very substantial progress has been made. I am sympathetic to the viewpoint expressed by the hon. member for Stormont, who was a very valued member of the committee. I know his abiding interest in the welfare of men, women and children. In some cases where the subject of treatment in various forms in various institutions of this province, I think the hon. member for Stormont will agree he is not without knowledge of this matter and knows, as a matter of fact, that very considerable and substantial progress has been made.

MR. F. R. OLIVER (Leader of the Opposition): Is it the suggestion that progress has been made since this committee's report was written?

HON. MR. FROST: Very substantial progress.

MR. OLIVER: In what way?

HON. MR. FROST: If the hon. Minister of Reform Institutions were here, and not indisposed tonight, he could, if he had the opportunity and time to speak in the Budget debate, give a very concise explanation of what is being done. It may be possible to arrange that tomorrow. I am quite sure from the conversations I have had with the hon. Minister of Reform Institutions that this recommendation of the committee has been very substantially fulfilled. The hon. member for York South (Mr. MacDonald) shakes his head but I think that is so, and tomorrow, if it is possible at all to have the hon. Minister say a word on that, I would be very glad to have him do it.

In my investigations into this, which have been largely from the standpoint of treasury and the treasury board, where the money is to be found to do these things, I have given it some consideration and thought from that angle.

Sometimes the hon. member for York South says so expansively, that we are "putting price tags on things," but I would say that in administration it is necessary to have regard for where the people's money goes, and I am anxious to see that in reform institutions there is some practical administration and economy, which is necessary for the people of Ontario and the government of Ontario to follow, in all of the various facets of government.

One of the problems in reform institutions is the fact that we are constantly receiving a number who have been in penitentiaries and other places, who are sent to our reform institutions. I have the figures in my office. I was interested in securing them some time ago. We could go a long way toward correcting our difficulties if it were possible to send the second and third time offenders, instead of to our reform institutions, to the federal penitentiaries and let them be treated as second and third offenders for they are, to repeat the expression used by the hon. member for Stormont, as "hardened criminals" or "hardened offenders."

As a matter of fact, since the time of the Guelph riot, I believe it occurred in 1952, my confidence in some of those repeaters has never been restored. That riot was completely reckless vandalism, spearheaded by some score or more bad inmates who should have been in Kingston Penitentiary, rather than in one of our reform institutions where we are endeavouring to improve the lives and lot of offenders who are not basically criminal in their attitudes.

That affair took place in probably the finest institution in Ontario, following an afternoon of recreation, baseball and other outdoor sports. It took place as a carefully planned outbreak. They smashed the chapel, burned the library, destroyed books, and engaged in a type of vandalism which is unbelievable.

Since that time I have acquired a little more toughness than I had before.

I must say I think the larger body of inmates of that institution were led and influenced by a bad element. Apropos of this resolution, I must admit that it appears to have been necessary—I think my colleagues were unanimous on this point—to build an institution such as Millbrook, which is what is referred to as a “close custody,” or a “maximum security” institution.

I suppose it is necessary to have a place like that for the incorrigible elements, and there are incorrigible elements among those inmates. However, I must admit I would have much preferred to have Ontario spending its money in a field which has to do with offenders whose instincts are really not criminal, and who are capable of reformation. If they are so hardened that they are not capable of reformation, then they should not be in our institutions. They ought to be in penitentiaries.

I have discussed the matter with the Ottawa authorities, and I propose to do so again. I think our greatest difficulty in our reform institutions is the fact that we get the federal offenders — and mark you, we get them from the county and supreme court judges, and from the magistrates of this province. There are people who offend against federal law, the criminal code of Canada, and do it repeatedly, and when they are sentenced to term which put them in our institutions, we are required to keep them in custody.

In regard to penal reform in this country—and I think that penal reform is always in the forefront—one of the sensible arrangements the federal and provincial governments could make—and Mr. Garson should understand it; as a matter of fact, he does understand it, because he was a provincial Minister for years—would be to formulate some method whereby the penitentiary system would handle these hardened offenders. I am in full agreement with the hon. member for Stormont who mentions the fact that one or two bad apples can spoil the barrel.

Unfortunately, the situation is that we get more than one or two in the hypothetical “barrel”. Hon. members will understand we get more than one or two; in fact, we get many of them. If we did not have these people, we could concentrate on what we should be doing in the field of reformation, and I am sure we could do a very much better job, if it were not for the fact that offenders for the second, third and sometimes the fourth time who go to our institutions, spoil the very reform programme we are trying to build in this province.

What I say arises out of our experience 3 years ago, at the Guelph institution, where the efforts of many years were ruined by vandals who should not have been in our institutions at all.

May I say to the hon. member for Stormont that I am very sympathetic with the report that was made. Great progress has followed. I regret I am not able to give to the House the details of the steps which have been taken, but if it is possible tomorrow, and the hon. Minister of Reform Institutions is feeling well enough, he may take 15 minutes to tell the House what has been done.

With that, sir, I will leave this resolution to the House and assure the hon. member that while I am sympathetic with his point of view, the resolution in its present form is not acceptable.

MR. OLIVER: Might I simply say that the hon. Prime Minister is arguing as if what has been done in the way of a reception centre, was done since this committee reported its findings.

HON. MR. FROST: That is right, Mr. Speaker.

MR. OLIVER: Well that of course is not factual.

HON. MR. FROST: I beg the hon. leader of the Opposition's pardon?

MR. OLIVER: I say that, of course, is not factual. When the committee visited Guelph it found there was there

the semblance, at least, of a reception centre, which was used primarily to sort out the persons who were to go to the Brampton institution. It was in existence when the report was written. It has not been expanded since that, that I know of.

That is what the resolution seeks to call attention to, that although some progress had been made up to two years ago, no progress has been made since then, and it calls upon the government to honour the recommendations the committee thought very important, when they wrote it into the report itself.

MR. D. MacDONALD (York South): And, Mr. Speaker, may I draw this one point to the attention of the hon. Prime Minister? In addition to what the hon. leader of the Opposition has stated with regard to the male institutions, in regard to the female institutions, if the hon. Prime Minister cares to read the submissions by the women's penal reform committee—which is a very responsible body, tying together at least a dozen women's organizations—he will discover this is precisely the point upon which they are laying a great deal of emphasis, that nothing is being done toward building

a reception centre for Mercer, and nothing has been done which was not in existence on the male side, as the hon. leader of the Opposition said.

On the male side what you have, sir, is Guelph and Brampton, it does not touch any of the other institutions. So the government may come in with suggestions, but any suggestions it comes in with do not touch the basic point of this resolution.

Motion negatived.

HON. L. M. FROST (Prime Minister): Mr. Speaker, in moving the adjournment of the House, may I remind the hon. members that tomorrow we meet at 10 o'clock in the morning. We will proceed with the Budget debate and with the business which remains on the Order paper. In the ordinary process, the vote on the Budget will be taken tomorrow and, if the government is successful in weathering that storm, the ordinary supply bills will be passed, and prorogation take place.

Hon. Mr. Frost moves the adjournment of the House.

Motion agreed to.

The House adjourned at 12 of the clock midnight.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Wednesday, March 28, 1956
Morning Session

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

WEDNESDAY, MARCH 28, 1956

10 O'CLOCK, A.M. THE POWER COMMISSION ACT

And the House having met.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

CLERK OF THE HOUSE: Mr. M. B. Dymond, from the standing committee on health, reported a resolution passed at the conclusion of the committee's proceedings on Tuesday, March 27, and moved its adoption.

RESOLVED THAT this committee go on record as expressing its thanks to the government for providing a forum at which all the facts of hospital insurance as known to date could be brought out, in order than an opportunity might be given to the members of the committee, to the members of the Legislature and to the public at large, to give the results of the studies to date, and further that this committee recommends that further study be given in order that certain of the problems still apparent may be resolved, and that this committee be reconvened at some future date.

(signed) M. B. DYMOND,
Chairman.

Motion agreed to.

Hon. D. Porter moves that the third reading of Bill No. 104, "An Act to amend The Power Commission Act" be rescinded, and that the Bill be referred back to the Committee of the Whole House for amendment.

Motion agreed to.

MR. SPEAKER: Motions.

Introduction of Bills.

Orders of the day.

HON. G. H. DUNBAR (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

1. Twenty-fourth annual report of The Department of Public Welfare for the fiscal year 1954-1955.

2. Forty-eighth, 49th and 50th annual reports of The Ontario Municipal Board for the years ending December 31, 1953, December 31, 1954, and December 31, 1955.

Mr. Speaker, that completes all the reports.

HON. L. M. FROST (Prime Minister): Mr. Speaker, I beg to table answers to questions 1, 14 and 26.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Speaker, on the matter of questions, I hope the information contained in the answers tabled this morning are more accurate than those

which were tabled in reply to a question from the hon. member for Brantford (Mr. Gordon). He asked what was the total cost of the highway investigation in all its phases, and he was told it was \$173,000. Last year, we asked the same question and we were told on March 22, that it was \$308,000. We did not know at that time if all the bills were in. Presumably, they must all have been in and a lot of the money must have been handed back, because a year ago, the cost was \$308,000 while today it is \$173,000.

HON. MR. FROST: Mr. Speaker, if the hon. leader of the Opposition and others who ask questions were more careful in indicating what they require to know, we would have been able to answer. The hon. member refers to "highway investigation". To what does he refer?

He has used various words around the province, about "scandals" and that sort of thing.

There is a division in this matter. The reorganization of the Highways Department goes back to 1952, and involves the question of business counselling in relation to a complicated matter of organization. Those complicated matters of organization involve business and technical advice. If the hon. member would ask the question specifically, I would be very glad to give the information to him. As a matter of fact, I would be very glad to have him sit with the provincial auditor, quite off the record, and the provincial auditor could give him the fullest information.

I have no desire to keep anything away from him or from this House.

When the hon. member says "highway investigation", does that refer to the audits and the work conducted in relation to certain contractors who were charged before the courts, to the counsel fees and so on; or does it refer to the broad business question of continuing the reorganization of the department? I think the hon. member will see the position.

In regard to the amount last year; that was referred to the department,

and indeed, the auditor discussed it with me. The question last year was taken as referring to the reorganization amount. Now the hon. member refers to "highway investigation." I am most anxious not to have some distorted picture given in this House related to something to which it does not apply.

In regard to the other figure, "\$308,000"; it is perfectly right, in referring to the reorganization of that department. The problem of business and government administration is a very great one. In a department which is responsible for the control and spending of over \$200 million, it is necessary to see that our procedures, our administration, and our methods, are the very best. As a matter of fact, I have no hesitation in saying that we have done that with other departments.

When the hon. member refers to "investigation", I do not want it to be misunderstood, that these expenditures relate to the cases which were investigated, and were prosecuted from a criminal standpoint. I think the hon. member will see the importance of that. I have no desire to keep any information from him, and I would be delighted if he could sit with the provincial auditor or the treasury or highway officials in connection with this matter.

Consider the matter of the firm of J. D. Woods and Gordon Company. They have advised the government for over two years, and are still doing so, in relation to this and other administrative procedures within the government, with a view to evolving the very best business methods possible.

MR. D. C. MacDONALD (York South): Mr. Speaker, on this matter of questions, the hon. Prime Minister has said that it is a basic assumption that he is willing to provide all the information available.

HON. MR. FROST: Certainly.

MR. MacDONALD: If that is the case, I am a little curious to know why questions 29 and 42 have not been answered.

HON. MR. FROST: Mr. Speaker, in connection with questions, this is a procedure which has grown up in this House over the years. There are some governments which have refused to answer questions. I have never taken that attitude. I have endeavoured to answer all questions, and to do so as promptly as possible.

The hon. member will recognize if there are a great number of questions, some of them may involve very great matters of detail and routine. The answers given must be accurate, as otherwise they would be misleading and improper. We try to be very accurate. There are some cases where it has been necessary to take the staff from the department for days, to work these things out.

I believe this year this matter has worked out very reasonably, but unfortunately the securing of some of this information is not easy, and the work of the department must proceed. I think this year there are only two or three questions unanswered. I will make these the subject of orders for return, which will be done in due course. I can assure the hon. member that this year, as far as the answering of questions is concerned, we probably have made the very best record we have ever had.

MR. MacDONALD: I recognize the basic problem with which the hon. Prime Minister has to deal, but still I cannot see that it has any particular relevance to the questions to which I have drawn his attention.

HON. MR. FROST: What are they?

MR. MacDONALD: Question No. 29 has been on the Order paper for weeks. I should be surprised if there are not records compiled on a running basis in the department on that subject. I know the information was provided in part, at least, by the Deputy Minister, to the House of Commons-Senate Committee last year. It is the kind of information which generally is compiled and reproduced periodically.

HON. MR. FROST: Mr. Speaker, I am very sorry. I have the answer to one of those questions right now, that is number 42 in relation to gold mining. That shows how anxious I am to be accommodating. The other information I have not at the moment.

MR. MacDONALD: I was about to ask about the gold mining.

MR. OLIVER: Mr. Speaker, I cannot let the hon. Prime Minister "get away" with his casual explanation of the variations in these amounts. The question asked last year, on February 14, by the hon. member for Brantford was quite specific. He asked as to the total bills rendered to date, how much had been paid to date, to the following, in respect to The Department of Highways investigation.

HON. MR. FROST: What was the question this year?

MR. OLIVER: The question this year asked what has been the total cost of the highway investigation in all its phases. The question asked last year was specific in every detail.

HON. MR. FROST: That is so; but this question was not.

MR. OLIVER: The answer given was \$308,000. We took that as a not too accurate answer, because we assumed that the bills were not all in at that time. We asked the question this year in order to ascertain the total amount, in relation to the highway investigation, similar to the question asked last year; and we received the answer "\$176,000", which was completely erroneous, misleading and absolutely inaccurate.

HON. MR. FROST: Mr. Speaker, the hon. leader of the Opposition in regard to the highway investigation, uses, of course, lurid language, and exaggerates.

MR. MacDONALD: Where is the "lurid language" coming from now?

HON. MR. FROST: If I had wished to evade that question, I would have answered it in this way: "to what particular investigation does the hon. member refer?" I will secure the answer to the question he has now raised, and will endeavour to have it this afternoon. I think the total, including re-organization expenses, is something over \$300,000.

MR. OLIVER: I should think it would be, seeing that it was \$308,000 last year.

HON. MR. FROST: The J. D. Woods and Gordon firm are still consultants to the department, and have been for several years. The question cannot be construed to include that. In connection with the amounts in the item for investigation, in relation to certain practices which could not be condoned, and which were investigated and prosecuted; the answer properly refers to that.

MR. T. L. KENNEDY (Peel): Mr. Speaker, before the Orders of the day, I wish to say something which is going to embarrass the two hon. gentlemen to whom I am about to refer. One is the hon. member for Brant (Mr. Nixon). Thirty-seven years ago, he was here as hon. Provincial Secretary, and on his birthday, April 1, there was a bouquet of flowers. On many occasions since then, we have honoured his birthday, and have wished him many happy returns. I can assure the hon. member that we would like to wish him many happy returns on his birthday.

As regards the second, it is the hon. Prime Minister (Mr. Frost). I am quite sure this will embarrass him, but I am not as afraid of him as I formerly was. This means a great deal to me personally, and exemplifies my regard and affection for him, and his judgment.

On March 31, 1917—the anniversary of which will be next Saturday—he lay wounded on the battlefield. One who has lain wounded on the battlefield and gone through the casualty stations, knows the curious thoughts which come to one. One is closer to God, and closer

to the love of people and country than ever before. It is something which seems to come, that "this life of mine is being given for something which benefits our relations, and our country."

Therefore, I might say to the hon. Prime Minister, without embarrassing him, that he may not have been nearly as successful in public life as he now is, had it not been for the wound he suffered at an early age, and for the two great secrets which have helped to make him successful, his love of God, and his love for his people.

MR. A. J. CHILD (Wentworth): Mr. Speaker, before the Orders of the day, I would like to draw the attention of hon. members to a newspaper article which appeared in last night's issue of the *Hamilton Spectator*, which concerns all of the hon. members who have a particular interest in Bill No. 99. The headline reads, and the article goes on to say, as follows:

CITIES, TOWNS NEED WATCH ON LEGISLATURE, MAYOR SAYS

Need of a powerful organization of municipalities "to keep constant watch" on the Legislature was seen by Mayor Jackson today.

The mayor's proposition was an outgrowth of his objections to the Legislature's current bid to "railroad through" amendments to The Police Act and The Fire Departments Act—known respectively as Bill No. 133 and Bill No. 99.

Both these amendments have been given second readings and the Legislature is expected to pass them before the session ends this week.

To combat similar future moves at Queen's Park, Mayor Jackson outlined a closely welded group combining the Provincial Association of Mayors and Reeves and the Municipal Association.

He said these organizations are "very, very weak." Referring again to Bills Nos. 99 and 133, the mayor said if the amendments to The Police Act became law "the police could come in and make demands that

absolutely don't apply to the rest of our civil services."

Mayor Jackson recently led a delegation to Queen's Park to protest similar amendments to The Fire Departments Act and was told these would be reviewed. "I understand some amendments were made," the mayor said, "but we have never been told what they were."

He said he was writing to Mayor Simpson of Arnprior, head of the Association of Mayors and Reeves, "to get all the support we can" for objections to the Legislature's action.

The changes would give bargaining committees the right to go to arbitration with virtually no ceiling on their demands, since arbitration boards are not restricted by the terms of The Municipal Act as applied to civic governments.

I suggest that this is an absolute aspersion on the integrity of all hon. members from Hamilton, and on all hon. members representing municipalities affected by the Bills.

This article, Mr. Speaker, gives an entirely wrong impression to the people in Hamilton. Bill No. 99 is an excellent piece of legislation, and was not "railroaded" through, as is indicated in that article. I spent considerable time discussing it with the hon. Attorney-General (Mr. Roberts) and with members of the Toronto council, who have had experience, and it was only after a great deal of consideration this Bill was passed.

In case the people in Hamilton believe the opinions expressed in this article, I would like to go on record as saying that by far the majority of people in Hamilton are very much in favour of Bill No. 99. I have here a telegram from the Trades and Labour Council, of the Ontario Provincial Federation of Labour, which I would like to read into the record:

The officers and members of the Ontario Provincial Federation of Labour wish to commend the government on the proposed Bill No. 99

which received its first reading on Friday, February 24. The Bill indicates that the government recognizes that the fire fighters who have voluntarily given up their rights to strike deserve protection from arbitrary discharge without a reasonable hearing. Bill No. 99 also indicates that the government has taken into consideration that fire fighters are entitled to bargain for a respectable pension scheme. We therefore respectfully request your support on this Bill.

(signed) JOHN T. HANCOX,
Secretary-Treasurer.

I have another here from the Hamilton District Trades and Labour Council, and another from the Fire Fighters Association, and I would like to read part of it into the record, because I think it is of great importance:

Bill No. 99 also indicates that the government has taken into consideration that fire fighters are entitled to bargain for a respectable pension scheme. Since the fire fighters' Act came into effect in 1947, the locals have never been able to persuade a board of arbitration to deal with requests for a pension plan. We have at present several examples of firemen who, after 30 years' service, are going on pensions of \$7 to \$12 monthly . . .

That is signed by the Fire Fighters Association, Local 288, of Hamilton.

I would like to draw to the attention of hon. members of this House that there are many thousands of union members in Hamilton who, with their families, make up a majority of the people in Hamilton, so that the Bill was actually passed with the consent of the majority of the people in Hamilton, and it was certainly approved by the people with whom I discussed it in my riding.

I believe it should be brought to the attention of the citizens of Hamilton, and other municipalities affected by it, that there is absolutely nothing in the Bill which suggests there will be an increase in taxes, nor, for that matter,

is there any connection between Bill No. 99 and sick-leave credits, as has been suggested by his worship, in Hamilton. The Bill only clarifies the existing law for the right of the fire fighter to bargain for pensions. This type of legislation has been in effect in both Belleville and Toronto, and I think it is important to note that the city of Toronto made no representation whatever regarding the Bill.

The Bill gives the firemen protection against unfair dismissal, and I suggest to the hon. members of this House that this, of course, is a principle of our democratic way of life.

In discussing it with some hon. members who have served on the Toronto council, I find that since it has been in effect, there has been absolutely no controversy about it; it is working exceptionally well. I would like to go on record, after giving it a great deal of consideration, that I was very pleased to be able to support the Bill.

MR. S. L. HALL (Halton): Mr. Speaker, before the Orders of the day, I would like to bring to the attention of this Assembly something which I think is important. I think we are all agreed that in the province of Ontario, we have the finest Civil Service Association of any province.

I would like to bring to the attention of the Assembly that on April 1, 1906, Mr. John F. Clark started his public service with the Department of Education. He resigned his position, and served in the first world war. Upon coming back, he was taken into the department again, and on May 1, 1930, was transferred to the agricultural and horticultural branch of The Department of Agriculture as a field man. He is now assistant director of that branch.

Mr. Clark will have completed his 50 years of public service on April 1, 1956, and I would like to say on behalf of all civil servants that he will be recognized in a suitable way by the government of Ontario. Mr. Clark now holds the record in the civil service of Ontario for length of service—50 years.

MR. D. MacDONALD (York South): Mr. Speaker, before we proceed with the Orders of the day, may I ask the hon. Prime Minister whether the government or he, personally, has had time to give consideration to the recommendation of the Standing Committee on Government Commissions for an investigation — I think the specific one was a select committee — into the situation in relation to the so-called amateur sports field. There was evidence placed before that committee which was very serious, and I think it should not be ignored, if we do not want to invite a serious problem and consequences, and a great deal of unfavourable publicity from it.

HON. L. M. FROST (Prime Minister): Mr. Speaker, as a matter of fact, time has not permitted the consideration of that matter. I shall certainly take the committee's report into consideration, at the very earliest moment.

MR. MacDONALD: Read the brief. I think that is more important.

MR. J. WINTERMEYER (Waterloo North): Mr. Speaker, before the Orders of the day, I would like to direct a question to the hon. Attorney-General (Mr. Roberts). Before I ask the question, I want to make it clear that he does not need to be concerned about the political nature of the question at all. Some time ago, I believe it was on the occasion of the debate on the motion in reply to the Speech from the Throne, the hon. Attorney-General gave a very interesting and, I think, a very helpful report with respect to the problem of salacious literature.

My question is whether he has any further comments or report to make at this time, before the end of this session? I think many of us have received a terrific number of letters and inquiries about this problem, and I think it would be helpful to us if he could submit a further report at this time.

HON. A. K. ROBERTS (Attorney-General): Mr. Speaker, I am very much alive to the subject which the

hon. member has mentioned. I am aware there are many people in the province who have been corresponding with various hon. members. The hon. member for Sudbury (Mr. Monaghan) sent me a list of letters he had received quite recently, and I have received many letters myself and I have replied to them all.

I spoke to the House a few weeks ago, and at that time I said, following a conference with a very representative group, that some form of advisory consultations would take place, and that is definitely in mind. I might say there was a very substantial fine resulting from a conviction in Ottawa which was mentioned at that time. That case, I understand, is under appeal at the moment, so a higher court will be passing on the evidence, and it may be very helpful.

In that respect, I would also say I was rather interested to note that there was some attention being paid by the proper authorities in Ottawa, with respect to the importation of this type of literature.

We are very much alive to the question on this side of the House, and hope to be able to contribute to better conditions.

MR. WINTERMEYER: May I say that since the session has started, I have received a terrific number of letters and I have made some inquiries of the federal authorities. I inquired of them and was told, in effect, that they felt the criminal code was adequate, at the present time, to effect convictions. I am not sure it is, to be frank, but the attitude they seem to take is they are not disposed to amend the code at the present time.

My idea is this: through the good offices of the hon. Attorney-General, it seems to me, it would be helpful if instructions went out to Crown attorneys and magistrates to pursue this enthusiastically, much as we have pursued the speed limit regulations in the past month, and I think in that way we could demonstrate to Ottawa that the code is not

effective. These charges are dismissed for want of evidence, or because of the particular phraseology of the code, and in this way, we will bring it to the attention of Ottawa, and ask for action.

I can assure the hon. Attorney-General that I think every hon. member in this House, irrespective of Party affiliation, will be glad to join with him in the request to Ottawa. It seems to me it is a problem which deserves the attention of all. I believe we are going to have this problem as long as there are human beings and one thing that is despicable to me is the pollution of the minds of children, and that is what they are doing. I do not think any one here approves of that, and I think it is an action which should be taken.

They have done it in Connecticut and it has worked. I am not critical of the hon. Attorney-General; I think he has certain difficulties, but I think if he does something as he has with the speed regulations, and makes an effort to do something about it, we would have sufficient evidence to go to Ottawa and have something done. Through the good offices of the hon. Attorney-General with instructions to Crown attorneys, it can be watched more closely than in the past, and get results, and we certainly need something to make it impossible for these people to continue as they are doing at the present time.

HON. MR. ROBERTS: I might say the remarks I made in the Legislature some weeks ago were not only my own thoughts on the matter, but also what seemed to come out of the conference which had been held, and I did take the precaution of sending a copy of my remarks to the Crown attorneys throughout the province, so, in that way, they have been alerted—if they needed to be—to the subject.

With respect to the sufficiency or insufficiency of the criminal code, I agree with the hon. member for Waterloo North (Mr. Wintermeyer) there are some questions of proof and onus which are matters of contention, as to just how sufficient they are. I can assure you,

with the help of this advisory group, we will have the benefit of discussing it, and I am sure some good will come of it.

MR. SPEAKER: Orders of the day.

THIRD READINGS

On motions, the following Bills were given third reading:

Bill No. 88, "An Act to amend The Assessment Act."

Bill No. 7, "An Act respecting the city of Woodstock."

Bill No. 76, "An Act to amend The Marriage Act."

Bill No. 108, "An Act to amend The Municipality of Metropolitan Toronto Act, 1953."

Bill No. 112, "An Act to establish the Hospital Services Commission of Ontario."

Bill No. 113, "An Act to establish the Ontario Parks Integration Board."

Bill No. 135, "An Act to amend The Public Health Act."

MR. SPEAKER: Resolved that the Bills do now pass and be intituled as in the motions.

HON. MR. FROST: Mr. Speaker, I move that you do now leave the chair and the House resolve itself into Committee of the Whole.

Motion agreed to; Mr. Edwards in the chair.

POWER COMMISSION ACT

House in committee on Bill No. 104, "An Act to amend The Power Commission Act."

Hon. W. K. Warrender moved that Bill No. 104 be amended by adding the following section:

"(4) Section 46 of The Power Commission Act, as amended by section 5 of The Power Commission Amendment Act, 1951; section 6 of The Power Commission Amendment Act, 1952; and section 3 of The Power Commission

Amendment Act, 1953, is further amended by striking out The Provincial Loans Act in the second and third lines and inserting in lieu thereof, The Financial Administration Act, 1952, so that the section shall read as follows:

"46. The Lieutenant-Governor-in-Council may raise by way of loans in the matter provided by The Financial Administration Act, 1954, such sums as the Lieutenant-Governor of the Council may deem requisite for the purposes of this act and of The Niagara Development Act, 1951, and of The St. Lawrence Development Act, 1952 (No. 2), and the sums so raised may either be advanced to the commission or be applied by the Treasurer of Ontario for the purchase of notes, bonds, debentures and every other security of the commission issued by the commission under authorization of this Act, and that sections 4, 5, 6 and 7 of the Bill be renumbered 5, 6, 7 and 8."

The purpose of this amendment is to rectify an omission when The Financial Administration Act was passed in 1954. The reference in The Power Commission Act to The Provincial Lands Act has become of no effect, because The Provincial Lands Act no longer applies. The Financial Administration Act applies, rather than The Provincial Lands Act. This is to rectify that situation.

Section 4, as amended, agreed to.

Bill No. 104, as amended, reported.

THE LEGISLATIVE ASSEMBLY ACT

House in committee on Bill No. 141, "An Act to amend The Legislative Assembly Act."

Sections 1 to 5, inclusive, agreed to.

Bill No. 141 reported.

HON. MR. FROST: In relation to the Bill which has just been passed in committee, that is an Act to amend The Legislative Assembly Act. I again point out I have tabled in this House all of the relevant information concerning the situations in other jurisdictions, and I

again unhesitatingly affirm that the committee's report in this matter was reasonable, fair and proper.

It would not be necessary for me to say these things, except for the fact that I recognize these are always matters of consideration, in the press and elsewhere, and I do not want it to be reported I said nothing about it in committee. Accordingly, I make this statement to the House now.

UNWROUGHT METAL SALES ACT

House in committee on Bill No. 142, "An Act to repeal The Unwrought Metal Sales Act."

Sections 1 to 3, inclusive, agreed to.
Bill No. 142 reported.

Hon. Mr. Frost moves the committee rise and report one Bill with amendment, and two Bills without amendment.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

MR. J. F. EDWARDS (Perth): Mr. Speaker, the Committee of the Whole House begs to report one Bill with amendment, and two Bills without amendment.

Motion agreed to.

MR. SPEAKER: Orders of the day.

The House, on Order, resolved itself into the Committee of Supply.

THE BUDGET

HON. MR. FROST: Last night at a rather late hour, there was before the House for consideration a certain resolution moved by the hon. member for Stormont (Mr. Manley). The hon. Minister of Reform Institutions (Mr. Foote) was indisposed. Of course, as you may know, he has had some difficulties with his health, but I am glad to say he looks much better, and is doing well, but the doctor says he must not stay out until 12 o'clock like some of the

other hon. members here. That applies to myself, I am afraid. I think it is a deplorable habit to work here until 12 o'clock at night.

I did say the hon. Minister of Reform Institutions would perhaps participate in the Budget debate to explain the points which were raised last night. I have asked him to interrupt his schedule to speak for a few moments on this particular subject.

HON. J. W. FOOTE (Minister of Reform Institutions): Mr. Speaker, I am sorry I was not here last night when the resolution standing in the name of the hon. member for Stormont was being considered, because it is a very important resolution, and certainly embraces a great number of subjects which should be considered by the department.

I want to assure the hon. member that the purport of his resolution has been progressively carried out from the time the recommendation was made by the select committee. I have been in very close touch with the chairman of the select committee on reform institutions, and together, we made an immediate approach after the report was submitted on this very subject, and have made steady progress ever since.

It was agreed at the time this resolution was presented there were a number of things we would have to do, in order to implement the recommendation, but these things cannot all be done at once. Nevertheless, a beginning was made immediately after the report of the select committee was submitted to this House.

We agreed the first thing we should do was to provide a new building for a neuropsychiatric clinic. This building was actually begun before the select committee began its sitting, and was completed shortly after.

The next step was to equip this building with scientific apparatus, including electro-encephalographs, which had to be made to order. That was done, and at Guelph there is now a centre which is the only one of its kind in Canada, modelled after the diagnostic centre at Menlo Park, New Jersey, and has been

planned and equipped in close co-operation with the head of the institution. That was a very forward step in implementing this report.

Our next problem was to obtain a full-time psychiatrist of first-rate standing for this institution, and also a senior psychologist with a Ph.D., one who would be able to head that branch of analysis and treatment, and who would be able to train the younger psychologists coming in.

I assure the House this was not easy. There is a great deal of competition in this country for the services of such men, and we have been very fortunate in obtaining men to head this clinic in the field of psychiatry and psychology. That has been done, and we have also arranged for the services of a team of specialists and consultants, particularly those who are able to read the findings from the electro-encephalographs.

The next thing we had in mind, which would be necessary in carrying out these recommendations, was the establishment of another institution for teaching trades.

It was comparatively simple to assess the purpose and the motivation of the young men who went to the Brampton Training School, but I felt, as did the committee—you may remember we discussed it at the time—there was need for another institution which would provide facilities for particular training to those who had a lower IQ than the ones who went to Brampton. In other words, we felt our assessment of these people was not of much use, unless we had the facilities to carry out what the assessment indicated to us, and we have now the clinic properly equipped and staffed.

We have this new institution at Burtch, which is apart altogether from the Burtch Industrial Farm. We have this institution where the young men, on assessment, even if their IQs are lower than those who formerly went to Brampton, have now a place for training, so that when we assess them, that assessment means something.

The other building which we felt would be necessary in order to dispose of those who were diagnosed as "difficult cases", was the institution for psychopaths at Millbrook. You may remember the select committee, for some time, held up this project until they could really be convinced it was necessary as a part of the entire plan. That building was approved, and has taken two years to build. We hope to have it open in the latter part of the summer.

So, as a result now of our assessment of first offenders coming in, or repeaters in the Guelph class, we have these new institutions, the neuropsychiatric clinic, the new trade training centre at Burtch, the psychopathic centre at Millbrook, and finally we decided to proceed immediately with the examination and classification of sex offenders. For a full year now in this institution, this most important question has been taken care of in that manner, in the existing plan.

For over a year, in this institution, we have examined and prescribed treatment for all sex offenders who are sent to Guelph. I submit, with regard to the men, that we have progressively carried out the recommendations which were made by the select committee, and which were brought forward again by the hon. member for Stormont.

I would like to say one word about the facilities which are offered for women. A year ago, we planned a new mental health centre in small quarters which were available at the Mercer Reformatory. This has been working for 9 months now, and has a staff consisting of a psychologist, psychiatrist and one social worker within the institution, and two social workers outside the institution, engaged in the work of rehabilitation. We feel this staff will form the nucleus of our staff in the reception centres, when we are able to provide them.

I say we have progressively carried out these recommendations, that we have now provided the staff for the reception centre at Mercer, and we have also provided for the building of two new institutions for women, which will remove

about 50 women from the Mercer institution, and leave plenty of room in that institution for a good staff for a reception centre for females.

We have not finished our planning. I may say that the examination and treatment of sex offenders has, in itself, been a big job. It takes a great deal of time, and indicates the need for more and more staff. Our weakness now is that we need more trained people to do this work, more psychologists and social workers. I assure the hon. members of this House we are taking energetic steps to remedy this situation.

Perhaps I might have had a better looking record if I listed, on paper, a dozen more psychologists or social workers, but I feel we have to choose very carefully when bringing these people into the department. It is not enough to have a person with the title, but to have people who are well motivated for this work and who can do it.

I assure the House we shall continue to strengthen our programme in dealing with this resolution, and I am sure you will see as a result of what I have said, that we are progressively carrying out these recommendations.

MR. MANLEY: Mr. Speaker—

HON. MR. FROST: May I point out to the hon. member, this is a speech on the Budget. But if the hon. member has a question about this, it would be all right to ask it, provided the hon. Minister consents to answer.

MR. P. MANLEY (Stormont): Mr. Speaker, I was going to ask a question, but first I want to point out to the hon. members of the House that in referring to this motion last night, I have nothing but praise for the hon. Minister, for the people in his department. I also said this wing at Guelph was a step in the right direction.

The hon. Minister has referred to it this morning in his remarks, and I am delighted to hear of the progress which has been made. The question I wanted to ask him was:

“How many inmates can he process through this centre which is operating at the present time?”

I am of the opinion it is very necessary that each one who is sentenced to a certain reformatory of ours should go through some sort of a centre where he can be assessed, and then placed in an institution which will be suitable to him, where they will learn a trade, or whatever is necessary to bring him back into society. That was the question I wanted to ask of the hon. Minister, “How many can he process, per month or per year?” whatever he may wish to answer.

HON. MR. FOOTE: I cannot give the actual figures, but I think I can give the hon. member some indication. All the sex offenders who are sent to Guelph are processed through this neuropsychiatric clinic, and all the problem cases who come from the institutions are sent to that centre. All the prisoners who are admitted to Guelph are assessed, but very many of them are simple, relatively uncomplicated cases, who would profit by transfer to the Brampton Trade School. They are processed very quickly now, and they all go to Burtch. So, everyone who goes into Guelph is assessed. A psychological report is made on each individual.

However, those who go to the clinic are sex offenders, and those who are unsuitable for Burtch or Brampton are those who have personality disorders and difficulties. I can prepare the actual figures, and I will be glad to send them to the hon. member.

MR. M. WHITNEY (Prince Edward-Lennox): Mr. Speaker, I would like to take this opportunity of formally congratulating you, not only on your appointment, but on the excellent calibre of the work you have been doing as our hon. Speaker in this Legislature. Both you, Mr. Speaker, and the former Speaker, the hon. member for Windsor-Walkerville, have set a great precedent for performance, that is pleasing to our guests, and to the Legislature, and for

fairness in conducting the debates on all the measures which are discussed.

At this time, I would like to mention a former Speaker of this Legislature, the late James DeC. Hepburn, who was Speaker just prior to 1948. In December last, he passed away, and it was a matter of great regret on the part of the constituents of Prince Edward-Lennox and of the hon. members of this government who had been associated with him many years ago. The messages of condolences which were received from hon. members who had been associated with him was a matter of a great deal of satisfaction and comfort to the family, and, particularly, the attendance at the funeral of our present Speaker, the hon. Minister of Municipal Affairs (Mr. Goodfellow), and the hon. member for Lanark (Mr. Doucett).

The hon. member for Hastings West (Mr. Sandercock) and others also attended, and I was most pleased to see the respect which was paid to this man who had performed such great service in provincial ranks.

At this time I would like to speak on agriculture in particular. Several hon. members have mentioned the unfortunate position many of our farmers are in, with climbing prices, and increasing costs, and despite any effort they may make, it is impossible for them to change this unfortunate condition.

I wish to make the point that the people engaged in agriculture are a matter of concern to everyone in this country, not just to the ones who are employed in that industry. Those engaged in agriculture form a small proportion of our population, nevertheless, in buying power, it has been estimated they would be able to purchase, under proper conditions, about 4 times the amount of articles manufactured by those engaged in other enterprises.

We know there is a tremendous market for all our people, and it is in the best interests of all of us to try to think along lines which may help the farmers enjoy the prosperity most other busi-

nesses are enjoying at the present time.

Another matter for consideration in that connection, when we consider agriculture, is what was expressed in the statement presented by Ontario to the Royal Commission on Canada's Economic Prospects. On page 20, of this statement, we see that in 1911, 12,675,000 acres were in crops, while in 1954, the number had decreased to 11,677,000, a decrease of nearly 1 million acres.

This can be accounted for in several ways. We know there has been a gradual increase in industry, in housing to serve those industries, in highways, and so on, but, unfortunately, part of that decrease at least is due to abandoned farms. As our population increases, as we expect it will do in the future, it may well become a matter of concern to the people that we should have available sufficient farm land to answer our needs. It is true, methods of agriculture are improving, but, nevertheless, that is something we should never lose sight of.

Continuing further in this submission to the Royal Commission; on page 148 appears a very interesting chart, showing the percentage of the utilization of whole milk. In Ontario, in 1940, whole milk was distributed as follows: 43 per cent. went into butter; 20.5 per cent. into cheese; fluid milk consumption was 26.1 per cent.; processed products 4.9 per cent., with ice cream having the small percentage of 1.2.

In 1954, the percentage of fluid milk consumption had increased to 35.8 per cent. of the total product, from the former percentage of 26.1. The percentage going into butter had decreased from 43 per cent. to 36.3 per cent., while the percentage of milk going into cheese had decreased to 12.7 per cent. from 20.5 per cent. That would clearly indicate that, as our towns and cities expand, more and more of our milk will have to be supplied to take care of the needs of the urban people, and, therefore, when this takes place, a much smaller percentage of our production will go into cheese, butter and processed products.

The increase in processed products, it is interesting to note, was from 4.9 per cent. to 8.6 per cent. Considering the whole picture, there is one point which is obvious: as our population increases, more and more milk will go into fluid milk requirements, and less and less will be available for these other purposes, because, fundamentally, the price for the whole milk is greater, and farmers who can secure that market are in a very much more favourable position than others.

In certain areas it would appear that when the price of butter fat is higher than the price for cheese, the farmers in the district will send their milk to the creamery; when the price of cheese increases, so they think that is a better bargain, they will send their milk to the cheese factories. Similarly, it will go into processed products in certain places, where they feel they can secure a better return than they do from the creamery or from the cheese factories.

Speaking of the subsidy which the federal government has paid on butter, there are some interesting things which I would like to mention. Mr. George McLaughlin of Elmcroft Farms, near Oshawa, speaking at the Napanee Rotary Club, stated that 1 of every 6 persons in Canada is engaged in producing and distributing dairy products. It is a \$900 million business.

To get back to the subject of butter, the floor price of 58 cents a pound has cost 2.9 cents per person, per year, since 1946, or a total of \$4 million. We hear a great deal about the cost of subsidies to the farm people, but I think each hon. member, in fact all of our people will agree that 2.9 cents per person per year is a very small expenditure out of public funds to maintain the price of butter. Mr. McLaughlin further pointed out this has received great publicity.

Some of our papers have objected to this, and think it is a terrible thing, but at the same time there are \$80 million in subsidies being paid to gold mines, and \$40 million to aid coal movements. I have no quarrel with these other payments, I know there is a reason

for the assistance, I think they are entirely right, but, at the same time, I think there has been altogether too much adverse publicity given to farmers receiving price support for butter, and allied products.

Mr. McLaughlin further said that people expect the farmer to produce butter at 37 cents a pound, and it cannot be done. The raw materials for margarine come from areas where labour is from 5 cents to 25 cents per day.

The point I made about butter and about milk going into butter and cheese production, which can alternate according to the price received by farmers, is, if the price of butter is better, it will go into butter, and likewise, if the price for cheese is better, they will send the milk to the cheese factories, and that being the case, we are faced with this very peculiar situation, that in the last year we have had imports of cheese from New Zealand into this country, and yet there was no shortage.

That cheese came from New Zealand to our country, at a cheaper price than it could be supplied here, and it came in with a duty of only one cent a pound, and it has destroyed the confidence of our cheese producers. The farmers do not know "where they are at," in that the big producers like Kraft and other companies which process cheese can buy from another country more cheaply than on our own Canadian market.

It would seem the federal government should give further consideration to the cheese industry, rather than sending our surplus butter to European countries, some of which we think do not subscribe to our way of thinking. Instead of doing that, perhaps it might be better to give further assistance to the cheese industry, in which case the surplus of butter would decrease to a certain extent, because more of the milk would go into cheese, and less into butter.

I am not criticizing the payment of the subsidy. I think it should be maintained, but I say that the surplus of butter should be decreased substantially

by further assistance to the cheese industry. The first thing to be done in regard to our agricultural situation is to protect our home markets, and our agricultural produce, and give a more favourable position to our own products than to the products which we import.

I think that is something which should be investigated quite thoroughly by the federal government, in order to prevent that unfair competition coming in and destroying our industry, right at its roots. If other industries are entitled to this protection, then why not agriculture? I know our present government has done a great deal towards marketing legislation. We have more farm marketing schemes than any other government in the country.

Another thing which occurred to me in this matter of agriculture was that many people seem to think the cost of food is quite high. If they would go out to the country, in the fall of the year, and visit some of the farms, and the local markets set up along the road, they would discover that a great many articles can be purchased more cheaply than can be bought in our urban centres. It seems to me our urban people would then have a better appreciation of what the primary producer actually does receive for his labour, and what his expenses are.

I think there are some people who might find it very profitable to themselves and to their families, if they could insulate a room in their basement, and when they are out for a week-end in the country, bring home a couple of bags of potatoes, or two or three hampers of apples, and put them in the insulated room, and the family would receive the benefit, and I think they would find the quality of the apples much better, and the family would eat more of them.

A great many of these products come in and lie on the counters of the stores for two or three days, and they become warm and are not as good as they would be, if they were put into a cool cellar, and kept under good conditions. I think many of our people would find they

could enrich their own living, and reduce their expenses, by adopting that policy.

They might also step into the local cheese factory, and bring home a couple of pieces of cheese, instead of buying a small bit in the stores. In some cases the store cheese is dry, so it is not actually choice cheese, because in a short time it definitely deteriorates, and I think more of our urban people should go to the country and inspect these things.

Also, they would discover the farmer is not receiving a big return for his work, and also that handling costs, transportation and all the other expenses are contributing to the cost of food at the present time.

In that regard, we constantly see a supply of imported fresh fruits and vegetables on our markets, and perhaps if people purchased more of the products of our own great province in the fall of the year, they could save themselves a considerable amount of money, and would not be required to purchase as many of the imported fresh fruits and vegetables which, in turn, adversely affects our trade balance with the United States.

Briefly, I would like to refer to The Department of Highways. Last year I mentioned the fine job our highway crews have been doing regarding winter maintenance, and I repeat that statement this year. However, there is one point about which I am concerned, and that is that at the entrances to our provincial highways, the responsibility of the department actually extends to the fence line, that is, from the travelled portion of the secondary road, to the fence line of the main highway. Our sanding trucks, in the wintertime, find it utterly impractical to sand these entrances to the main highway, and no one expects them to do so, certainly when they are passing along, it would be quite difficult for them to go back and sand these entrances to the highway. At some entrances there are grades leading down to the highway, and in other places there are grades leading up to the highway, so the people coming down this grade find it is

icy, and they could slide onto the highway very easily, and cause an accident. Often they do not realize the icy condition is there, because sometimes it is covered by a slight coating of snow.

Similarly, other people coming up to the highway, who do know about this condition, know that if they stop before they go onto the highway they may not be able to start again, and there is a tendency to ignore the fact that there is a "stop" sign there, and rather than become stalled they will drive onto the highway, and perhaps take chances they otherwise would not. I feel there is an opportunity there for study.

The same thing applies as between township roads and country roads. I know that many of our municipalities are doing a great deal more sanding than ever before. It is, in fact, becoming a problem, because with school buses, and with the icy conditions which have been prevalent in the last two or three years, sanding is becoming very necessary. I do not know what the solution is to this problem, but I would like to suggest it should be considered. It may become advisable to enter into some deal with local municipalities, to have them sand these approaches to the highways.

In regard to The Department of Travel and Publicity; I was greatly pleased when the hon. Minister (Mr. Cathcart) displayed a sample of the signs which are going to be used to indicate historical sites in this province. I think that is a fine thing.

In that connection, I would like to say that in the town of Napanee, the local historical society has a very fine museum, which is located in the centre of the town, on No. 2 highway, and yet, owing to highway sign restrictions, there have been no signs erected, nor anything of that kind, to enable the travelling public to know this museum is there. I have gone through the museum myself, and I am sure anyone would find many of the historical articles on display there most interesting.

I hope The Department of Travel and Publicity will prepare signs, not

only for historical sites, but also to advertise local museums, in order to give local people some encouragement for the work they have done.

In the last year, there have been some definite changes in the riding of Prince Edward-Lennox. Near Millhaven there is a huge new plant, manufacturing a product known as "Terylene". It is operated by Canadian Industries Limited, and cost over \$20 million. It was opened last fall. That has given a considerable amount of employment to our local people. It is built in a very fine location, and has not marred the beauty of highway No. 33.

In fact, it has proved a definite asset, insofar as its local appearance is concerned, with its beautiful grounds and ample space. The people in Prince Edward-Lennox would welcome more plants of that kind at any time.

This plant was not constructed as a result of the St. Lawrence seaway development, but rather because there is adjacent to the location a big pocket of water which they can utilize the year around, and keep the temperature of the water under control from day to day. There are rumours of other industries, but it is too early to deal with those yet. With our huge waterfront, and deep water, we have, adjacent to Picton and other places, sites of which a study should be made. The St. Lawrence seaway will have a great effect on the future industrial development of this great riding.

Near Picton are situated the iron ore shipping docks which serve the Bethlehem Steel plant. The iron ore originates at Marysburgh, and travels down through Prince Edward county, and then into Lake Ontario. The water is deep, the docks are located on a cliff, they have a huge bin, and with a conveyor system they can load the ore so as to fill a huge lake boat in only a few hours. The deep water in that section should prove an asset. There is also a protected harbour. Picton harbour is the place where, on several occasions in the past, speedboat trials have been held for the world's records. Up to date, none have been successful, but

we are hopeful that some time in the near future, we will have greater success.

It was a matter of great satisfaction to me and to the people of Napanee district when, shortly after this session opened, the hon. Minister of Planning and Development (Mr. Nickle) announced that in regard to our small conservation projects, this government would contribute 50 per cent. At Napanee, there is a project such as this being considered. In fact, it is a necessity there, as the water supply to Napanee is very low indeed during the summer months, in dry weather.

We are in an urban area, and there is very little manufacturing in the locality. There is some industry there, but in regard to the effect on the municipality in this area, we still do not know whether or not the necessary finances will be forthcoming, to enable the authority to pay the 50 per cent.

It seems to be rather strange that our federal government should be willing to pay 37.5 per cent. for conservation projects which cost \$5 million, but to the lesser projects they apparently turn a deaf ear. I cannot see why the number of projects collectively cannot be taken into account, as they would effect as much, in conservation and benefits to our people, as one huge, individual project. For that reason, it should be drawn to the attention of the people just how far the Canadian government is actually interested in conservation, when they make these offers only to large projects, which are very few and far between.

Mr. Speaker, I would like to refer to my remarks of last year, in which I requested that there should be established a provincial park in each county. I am very pleased to say that progress has been made in regard to the acquisition of property by the department. It will make the people of our county remember this government for a great many years. It has been a favourite meeting and swimming place, and when it becomes a park, it will draw the people for many miles around, and many more will come.

In regard to the question of parks in Lennox and Addington; we were a little slow in getting started, I must admit, as I did not realize the value of it nor its potential. I did not know originally that there was a new United Empire Loyalist memorial on that site. I was connected with people of United Empire Loyalist descent in the county as a result of being a member of the cemetery committee.

The people at Napanee asked if something could not be done for the United Empire Loyalist cemetery there. I did not know the memorial was there, though it is in the county in which I live. I looked at it, and I was very much impressed with the whole peninsula. I thought it could be developed, and would make a wonderful park. Thereafter, I mentioned that to the park authorities here, and finally it was looked into.

At the same time, through the people I have mentioned and others, the United Empire Loyalist Association was approached, and the members there undertook to try to do something to renovate this memorial and cemetery, which were in a most dilapidated condition. Independently, about the middle of last summer, Dr. George James visited this memorial, and he published an editorial in which he criticized the United Empire Loyalist Association for having allowed the memorial to get into this terrible condition. He also advocated a park being established there, without knowing I had mentioned the same thing, or that several people were already actively engaged in trying to promote the same result.

I am very pleased to say that the United Empire Loyalist Association has raised \$12,000, and intends to proceed with the complete restoration of this cemetery and memorial this year.

Our provincial government is proceeding now to take steps to acquire the land surrounding this memorial, with the idea of making it a provincial park. It will be a wonderful thing for all of our people, as the United Empire Loyalist Association has members all

over this province. Therefore, people from all over the province will be going there.

The opening ceremony will be taking place in the spring, when this cemetery will be completely restored, and the hon. Prime Minister has graciously consented to take part in that ceremony. I would like to invite all hon. members who find it possible to attend the ceremony in Adolphustown, on June 16.

Those who come will enjoy driving down highway No. 33, if they come from the west. They will have a drive along the waterfront which is certainly among the finest and most pleasing drives in the province of Ontario. If they come from the east, the drive in Lennox is equally as good, and I am sure those who come will very much enjoy their visit, which is to pay tribute to our United Empire Loyalist Association which does so much for the building up of such a great part of our province.

On this monument to which I have referred, there is an inscription as follows:

In memory of the United Empire Loyalists who, through loyalty to British institutions, left the United States and landed on these shores, on the 16th of June, 1784.

Mr. Speaker, the 16th of June, 1956, will be 172 years later, and I think it should be a memorable occasion indeed.

I wish to make a comment upon some questions generally. I have listened to the most persistent attacks upon the record of this government. Some of them may be more skilled or better hon. members, in Opposition, and I think this poem may illustrate that to a certain extent:

THE ANVIL—GOD'S WORD

*Last eve I passed beside a blacksmith's door,
And heard the anvil ring the vesper chime;
Then looking in, I saw upon the floor
Old hammers, worn with beating
years of time.*

*"How many anvils have you had,"
said I,*

*"To wear and batter all these
hammers so?"*

*"Just one," said he, and then with
twinkling eye,*

*"The anvil wears the hammers out,
you know."*

*And so, thought I, the anvil of
God's Word,*

*For ages skeptic blows have beat
upon;*

*Yet, though the noise of falling blows
was heard,*

*The anvil is unharmed—the hammers
gone.*

MR. W. J. STEWART (Parkdale):
Mr. Speaker, notwithstanding it is the closing hours of this session, I wish to pay tribute to you. Your many years of experience in this House, in faithful service to the constituency of Dufferin-Simcoe, and the people of Ontario; your service in His Majesty's forces in the dark days of war; your kindly personality, character, and your leadership, as a "man of the cloth" in service to the King of Kings, have ably fitted you to discharge the duties of your exalted appointment.

Prayers are said in a most impressive and prayerful manner, truly revealing your sincerity.

Your rulings have been in accordance with the Rules of Procedure, and are always tolerant, impartial and just.

Your special prayer for Her Majesty our Queen on the 4th anniversary of Coronation will long be remembered.

I regret the lateness of the time this session, but it is my first occasion to address the House.

Mr. Speaker, the *Monetary Times*, recognized as a good authority, states "Ontario entered 1956, with the reassuring knowledge that it had just completed its most prosperous year in its history."

With seaway and power development on the St. Lawrence, rivers and harbours are being dredged, preparing for ocean-going vessels to dock at their doors. Along the shoreline of Lake

Ontario, industry continues to expand and population to rapidly increase. More employment will come with the building of the pipe line and development of our water resources. The conservation commission is providing adequate water for domestic use and sanitary sewage disposal.

We have the building programme of The Department of Highways, and the aid given to building homes and industry by The Department of Planning and Development, all of which justifies this government's Budget and faith in Ontario.

Our hon. Prime Minister (Mr. Frost) continues to give constructive leadership with marked and exceptional ability, to make sound decisions, to advance the ever increasing and basic needs for human betterment with vision and understanding. He displays at all times patience and calmness in crises. He has the unique ability to radiate confidence, leadership which inspires others to follow, high ideals; indeed, he is a forceful character.

It has been well said that no one can command loyalty, but the hon. Prime Minister possesses qualities which inspire leadership amongst those who know him.

But we must remember there is a penalty for leadership. He who would lead must always live in the white heat and light of publicity. Envy, fear, greed and a desire to surpass are all as old as human passions, but if the leader truly leads, he remains the leader. He is our leader, and long may he continue to be known as the builder of a better and larger Ontario.

Mr. Speaker, at all times, regardless of circumstances, our leader is a gentleman.

Opposition, when it is nothing more than obstruction given to personalities and to invectives, is not Opposition. It is often easy to assert, and very easy to oppose. I learned, when I had the privilege of serving in city council, and particularly the 4 years as mayor, that there is such a thing as the tempering influence of responsibility.

My conception of the true functions of Opposition may differ with that of some hon. members of this House. I believe, by opposing argument, and constructive analytical debate, based upon sound principles, and through hearing both sides of a question in all its varying phases of opinion, truth will emerge.

Therefore, it is the duty of each hon. member to preserve our democratic way of life, and to preserve our treasures of freedom of thought and opinion, in our Canadian way of life.

We have treasures in Ontario, unsurpassed anywhere in this world. Ontario is richly endowed with resources. Our greatest resources are perishable, that is, our human resources. Their value cannot be measured. Our government through the years recognized this and continues vigorously to advance human betterment.

The riding that I have the honour to represent, Parkdale, is located on the west side of this city. Its eastern boundary is Brock Ave., extending westerly to High Park. It is bounded on the south by Lake Ontario and on the north by an irregular line to the Canadian Pacific Railway tracks.

The riding is largely a residential district with good homes.

It has several large industries, excellent retail stores, and many professional offices, churches, libraries, schools, and a population of splendid people that I am very pleased to represent.

There are a goodly number of people who by choice have made this land their new homeland. Many have been here for one and two generations and increasing in number, many who have recently come to this soil. They are good home makers and industrious persons, intensely interested in learning our language and appreciating the aid and assistance of the Board of Education and The Department of Education in the teaching of basic English.

They daily manifest their earnest desire to live by the principles of good citizenship; they highly value democracy; they appreciate the franchise and

they are contributing splendidly to our Canadian way of life.

Mr. Speaker, there has been a change in the riding I represent. In the last election—in June—there were 38,000 on the voters' list; in the previous election there were 47,000, which indicated that more people were leaving the riding. What does that mean? It means that many people, Canadians by birth and naturalization, have moved elsewhere, and that many newcomers who desired to make their homes amongst us and become Canadians, have moved in.

I would like to speak for a few minutes on public health. First and foremost is health of our people.

Some few years ago, in commending the splendid leadership of this government in its research on cancer, I suggested to our able hon. Minister of Health (Mr. Phillips) to have this government next direct its attention to research to combat heart disease.

The hon. Minister told me that there are 3 times as many deaths from heart disease as cancer. Cancer, over 20,000 deaths in Canada in 1955—200 cases for every 100,000 population.

Ontario is now the only province that already has a foundation to investigate heart and other circulatory diseases.

I am pleased to know that the hon. Minister of Health has conferred with the Dominion Health Minister, who has given informal approval of the idea. Meanwhile Ontario has increased the grant to aid a foundation of \$100,000.

The hon. Minister's statement revealed that increased hospital accommodation continues to progress rapidly.

In regard to the Welfare Department; it is giving excellent leadership to social welfare, and I cannot speak too highly of the prompt attention, kindly consideration and humane treatment given by this department and its staff. It is well directed, and abundant in advanced thinking, and is making a great contribution to human betterment.

In regard to conservation: I had the privilege of being the chairman of the standing committee this year.

When I first entered city council in Toronto, I was taught that the first duty of a council was to provide good water—and proper sewage disposal.

I raised the question some years ago as to the sufficiency of water supply and sewage disposal, in view of the rapid growth, especially around Lake Ontario.

I am indeed pleased that the government has laid the foundation for the highly necessary provincial development by a commission to provide for the future industrial expansion and unparalleled number of new homes to be built.

And the safeguarding of health—by aiding the municipalities, especially those who cannot finance plants of their own.

The lands to be acquired will, in large measure, provide lands to be used as provincial parks.

It should be borne in mind that Ontario still expects the municipalities to establish their own parks.

In regard to planning and development; that department is playing a very important part in the progress of our province.

Transportation is of great importance. We have subdivisions distant from large centres of population. Our people are forced to live outside these centres in areas not served by transportation; they are compelled to buy cars to drive to and from employment, adding to traffic congestion.

I think the time is at hand when representation should be made to railways to provide greatly improved and increased commuter service for the people who live outside the city.

In regard to The Department of Travel and Publicity, Ontario has a great deal more to offer than holiday and tourist attractions. We rejoice in the increasing number of visitors to whom we are delighted to extend welcome and goodwill.

Ontario whole-heartedly and sincerely welcomes folk who come from other lands to visit our province and rejoice when they remain to build their homes and raise their families in this great and good land of freedom and opportunity.

Ontario Government Services is a splendid paper, very informative, well written, attractively prepared and brings to its thousands of readers factual information of Ontario. To inspire to high ideals and citizenship and inform newcomers to our land, the department might well include articles that would set out clearly the privileges and duties of citizenship—Canadian citizenship—of which the Crown is the symbol. What an inspiring story can be told under the title—"The Infallible Justice of the Crown"—relating our heritage in detail, of which the Crown is the symbol.

Now, Mr. Speaker, may I, for the benefit of the newly-elected hon. members of the House, speak for a few moments about reform institutions. I had the privilege of being the chairman of the select committee on reform institutions, and I would like to read briefly from the report. If any hon. member has not seen the report, there it is; read it. It is a great record. In the report, which was unanimous, we find the following:

The Department of Reform Institutions and The Department of the Attorney-General provided assistance without which the committee's duties would have been much more onerous. Both departments, and particularly The Department of Reform Institutions, were called upon repeatedly for detailed data, and they complied with these requests fully and promptly. Testimony of officials of the two departments was a constant source of assistance.

The hon. Minister (Mr. Foote) cooperated and assisted constructively. He, by personal experience as prisoner-of-war, well knows the plight of the prisoner. Many times revealing sincere, silent and deep emotional concern of the inmates.

From his quiet, unassuming manner dealing with the committee, I have often been reminded of a statement of Oliver Wendell Holmes, chief justice of the Supreme Court of the United

States of America, when speaking of his former commanding officers. Referring to his colonel, he said:

Characteristic of the soldier's faith; having seen great things, to be content with silence.

As the hon. Minister and his gracious wife journey overseas to the reunion of all Victoria Cross heroes' 100th anniversary—invited by Her Majesty the Queen, he will carry with him the best wishes of all who served in the forces. Yes, and the heartfelt gratitude and admiration of a free people for whom by blood, sweat and tears, by service and sacrifice of life itself, freedom was preserved—preserved when Canadians faced the enemy, then unbeaten and unconquered and in shining splendour.

As long as English is spoken, the words "Dieppe" and "Canadian" are a challenge which surpasses all monuments of stone and bronze.

Truly characteristic of this government and this Legislature, provision is in the Budget to assist all Victoria Cross heroes who reside in Ontario, as evidence of affection. In addition, the federal government's provision for transportation. To this we all subscribe most willingly. Such is further evidence of our pride in British connection and love of Motherland and British institutions.

To newly elected hon. members, perhaps I should tell them of the select committee on reform institutions. On motion, by the hon. member for Brant (Mr. Nixon), a former Prime Minister, the hon. Prime Minister recommended to the House the appointment of 11 members representing the 3 Parties, Conservative, Liberal and CCF—who entered upon their task with a oneness of purpose and brought to the House a unanimous report.

Each member was assigned a special duty for which he was exceptionally well qualified:

Hon. leader of the Opposition (Mr. Oliver), farm administration; hon. member for Stormont (Mr. Manley),

dairying and farm practices; hon. member for Cochrane South (Mr. Grummett), discipline and segregation; hon. member for Kingston (Mr. Nickle), commitments and sentences; hon. member for Waterloo North (Mr. Leavine), doctor on medical and dental services; hon. Mr. Speaker, then as now hon. member for Dufferin-Simcoe (Mr. Downer), spiritual matters, release, reformation; hon. member for Parry Sound (Mr. W. A. Johnston), custodial care and preventive aspects; hon. member for Huron (Mr. Pryde), quarries and industries; hon. member for Carleton (Mr. Morrow), education, vocational training, and recreation.

All of these are recognized leaders and authorities in their own field of profession and endeavour.

For their continuous effort, interest and co-operation, we are forever grateful.

All members of the committee interviewed each member of the staff in each institution; and also all inmates who wished to be interviewed, privately, with no officials present.

Our report gives the House the debits and credits to the department as we found such to be. I now quote from *Hansard*, March 8, 1954—page 390:

May I say, with all the emphasis I can command, Mr. Speaker, that it is not our intention in this report to suggest for a moment any personal criticism of the hon. Minister (Mr. Foote) or any former Minister, nor of the government, nor any former government. Further we do not claim to know all the answers to this major problem. Our report is submitted respectfully as a constructive, critical analysis of the department. Any criticism in the report is based on the three words "Is it fair?" The committee interpreted the term of reference to mean that the House wanted an unbiased, honest examination of the department.

On page 391, of the same date, will be found this:

In our travels, Mr. Speaker, we found no evidence of political domination or motivation in the management of any of our institutions, no evidence of inhuman treatment, no evidence of brutalities, no persecutions, no oppression, no holes, no pits and no dungeons for punishment.

HON. L. M. FROST (Prime Minister): The hon. member for York South should go around and visit these institutions, starting on Easter Monday.

MR. D. C. MacDONALD (York South): I have been in a couple.

MR. W. J. STEWART (Parkdale): Of the hon. member's free will?

MR. MacDONALD: Yes, of my own free will.

MR. STEWART: I well recall one recidivist who claims acquaintance with me. He has a record of 37 convictions. He asked to come before the committee at Burwash. He said: "I have been coming here for years. You are leaning over backwards in providing comforts here. No one is afraid to come—and many do not want to leave."

MR. MacDONALD: Would the hon. member say that was representative?

MR. STEWART: Yes, Mr. Speaker, I was there; the hon. member was not.

There are two schools of thought about the treatment of prisoners, both tending to go to extremes, and neither of which your committee believes to be correct.

One group stresses rigid punitive treatment to the last letter. The other is composed of social idealists with ivory tower ideals and theories impractical to carry out. Such policies if applied to the inmates would turn our institutions into rest homes.

In some cases the committee thinks that to a degree in some places they have indeed succeeded in having them turned into rest homes.

MR. MacDONALD: Which ones?

MR. STEWART: Reasonable punitive—

MR. MacDONALD: The hon. member avoids the question.

MR. STEWART: I am making my address, not the hon. member.

Reasonable punitive treatment, we believe essential, but it has, in some cases, come to be palliative to the detriment of reform. A reasonable measure of both policies, administered with common sense and measured by experience, can provide good results. Hard labour is a forgotten term.

We have made far more advances in the scientific world than we have made in the world of morals and ethics.

The purpose of punitive institutions is two-fold:

(1) to punish individuals for wrongdoing; and (2) to protect society against further wrong-doing.

Methods have varied with the ages. We have come a long way since 300 years ago, from the Tower of London and long imprisonments. In the early days, the emphasis was on retribution, and we have come a long way from the bread-and-water, damp rat-infested jails. Today, punishment is incidental to the inmates' reformation, rather than merely trying to prevent the crime by punishment.

The *Saturday Evening Post* carried a series of articles on juvenile delinquency. A senate committee has just completed a most exhaustive study. It states that teen-age crime in the last 5 years in the United States of America has increased 45 per cent. This grave situation has developed over a period during which great emphasis has been placed on the employment of professionally-trained personnel—both before and after sentence.

Generally speaking, the United States has been the prime mover in advocating the professional approach, but it would appear the results have not justified this policy.

MR. MacDONALD: Is the hon. member objecting to the professional approach?

MR. STEWART: Are we to assume that instead of an increase of 45 per cent. over a 5-year period, the increase in juvenile delinquency would have been far greater if professional assistance had not been provided? That is the all-important question.

If we in Canada follow the same approach as the United States, which is so strongly advocated by some, must we not be prepared to accept the same alarming results as have been brought to light in this series of articles?

Ex-inmates have expressed their views to me. One day, before the committee, they came uninvited into the committee room and thanked us for the treatment they had received. They were not invited, but came of their own volition.

The department had, in its institutions in 1953, 53,491 persons; in 1954, 56,575 persons; in 1955, 60,334. Increase in population is a factor.

The committee learned from the records that about 70 per cent. are repeaters and about the same percentage non-reformable, while none are hopeless. Mr. Speaker, the committee learned that a very high percentage is helpless.

Brampton has a record which I think cannot be stressed too often, that 80 per cent. never repeat. Where do these people come from? Some from good families, but the vast majority from broken homes, lack of parental guidance, and many are products of divorces.

Some 70 per cent. of the juvenile court cases in Toronto come from broken homes. That is an official statement. This behaviour pattern was based on lack of spiritual guidance, disobedience to parents and teachers, truancy, no respect for constituted authority. They regard the police as enemies and have not been taught that police are engaged by their own parents to protect their lives and property.

In ancient Egypt, they taught that "to resist him in authority is evil." It is amazing how public sympathy favours the lawbreakers, how, when those who offend against the law find themselves in an institution — they rebel. They have a contemptuous attitude towards the superintendent and all in authority. Mr. Speaker, you know as well as I do that they openly declare war on those in charge of the institutions.

Our institutions have to take in many who will not repent. Homes, parents, schools, churches, have all failed to reform these people. Then The Department of Reform Institutions receive them from the courts, and they are responsible for their custodial care, their health and reformation. When all others have failed, we are supposed to wave a magic wand to reform them.

While speaking about juvenile delinquency, here is a book I received from the Collins Bay Penitentiary. Mr. Speaker, you will recall the daily papers are going into these institutions, the inmates are reading everything we say about reform institutions, and there is an article in here about that. Here is what an old timer says about juvenile delinquents: The questions were:

"Who are those who publish the many comic books?"

My answer was, "adults".

"Who are those who produce immoral and suggestive motion pictures?"

My answer again was "adults".

"Who are the ones who smuggle and sell dope?"

"Adults" had to be my answer.

"Who are those who prove to be worthless parents?"

My only answer was "adults".

Then this inmate writes about the influence of good schools, clubs and other organizations. He said:

They are important in the education and the direction of youth, but they will never take the place of parental example in the home and social life. Even the church, important as it is, was never meant to relieve par-

ents of their responsibility to their children. I am a father, and it took me 6 years to get into a "jackpot". In this instance, it is the children who suffer and not the parents.

I would submit, Mr. Speaker, that legislation is not the answer to the problem. Reformatory plans of rehabilitation is not the answer in full. Important as it is, you cannot regenerate a man. You cannot change his heart by legislation or departmental policies.

We can help them in training to be productive and learn to be self-sustaining. You cannot expect a government department to wave a magic wand and accomplish reforms. Records reveal that, notwithstanding the training the department gives in an effort to develop fitness to earn a good daily living, opportunities to secure employment at good wages are spurned by certain inmates, who prefer to return to breaking and defying the law, and going back into custody.

These persons are determined not to reform. When interviewing an inmate, I asked: "Are you going to straighten out this time?" He said: "I do not expect so. I will get out. I guess I will not go to work. I will meet the boys, and I will be back." That was his outlook on life.

Mr. Speaker, the committee would intensify the efforts of rehabilitation on behalf of the 25 per cent. reformable, and give stern discipline to, and provide plenty of work for, the other 75 per cent. Many of the other 75 per cent. will be taken care of by the department. Millbrook will considerably aid in the solution of this major problem.

I do not wish to criticize the administration of justice. I hold our courts and officials in the highest esteem, but let me quote from the committee report:

Short sentences permit insufficient time for training. This, combined with the fact that long definite sentences do not permit release of inmates at the time most favourable for

reformation, suggests that sentences with long indefinite periods, such as 1 to 5 years, would best serve the interests of reformation.

Here is what a newspaper editor said in the *Beamsville Express*, republished in the *Telegram*:

Three Niagara district youths, all of them on probation, one for the holdup of a St. Catharines tobacco store two months ago, were caught last week after attempting armed robbery at a coal yard in Port Weller.

Another man, from Merritton, while barely over an 18-month probation for a sex offence, committed an indecent assault upon two little girls from Vineland on Christmas Eve. His case is under review by the Ontario Court of Appeal after he, on his second offence, was given further probation.

In Grimsby the other night, the mayor called a meeting to discuss juvenile delinquency and it was said, amongst a great deal of other talk, that the "problem rests squarely on the home."

It seems to us the problem rests also with the courts. Three young "punks", who had been in serious trouble with the law, are given suspended sentences and probation. Almost immediately, they commit worse crimes. A second offender in sex crimes is given probation after some really moving "contrition".

As far as we are concerned, these people might as well have been set free. We have not the least doubt that in the minds of those 3 youths has been implanted the feeling that they very neatly, though without knowing just how, had "beaten the rap". So they try the same thing again.

What respect do young hoodlums like these have for a probation officer? Are they most likely not laughing out loud at him and the system of law he represents? Almost any down-and-outer who steals a loaf of

bread to eat can count on 30 days in jail. If you are young, though, it appears that you can "get away" with almost anything.

The department is regarded by some as non-productive. Idleness does not prevail except in the jails. In our institutions there are machine shops, tailor shops, woollen mills, laundry, bakery, abattoir, cannery, construction equipment. The inmates produce farm products, brick tile, licence plates, furniture, and clothing for institutional use.

The unanimous report states, in part, regarding those who have offended against the law:

They are humanely treated—well fed and well clothed.

The committee arrived unexpectedly, ate the meals in the main line, the same as the inmates. They found the kitchen clean, with good food, well prepared, and served in abundant quantities.

Mr. Speaker, we held 153 meetings, heard 403 witnesses and 69 inmates. All inmates were invited to appear, free from the presence of any officials. We visited 50 institutions and other jurisdictions.

Socrates said, "Sin is ignorance." Well do we know that "crime is sin." Education is not the complete solution. Many inmates were well educated, indeed, some were university graduates. Repentance and regeneration is the answer, and the solution is vested in the church and matters spiritual—not in the state.

Mental attitude to the superintendent, the officials, and all in authority is hostility, contempt and defiance of this un-reformable group. War on society, war on constituted authority, commence in an unhealthy home environment with lack of discipline, lack of moral training, lack of spiritual guidance, with truancy and a defiant attitude in school years. Just such psychology leads to clashes with the police. They take pride in police court convictions, and graduation from a jail or reformatory, and later a prison. They view that with pride.

Home, to these people, Mr. Speaker, and to all people, should be more than a place to eat, sleep and change your clothes. Home makes the man. Let us teach the rising generation that liberty comes from discipline and restraint; that there is a line where the rights of the individual end and the rights of society commence.

Mr. Speaker, you will recall our study of "after care." The committee was convinced that after care should be considered as the final step in any programme of rehabilitation. Preparation during a long period of incarceration, and search for employment before discharge, should be the case. In cases where the person has no home, a "half-way house," providing lodging and meals, for instance through the Salvation Army or similar organization, and proper environment and companions, was recommended. The period between discharge and employment is a crucial period. It is the crossroads between reform or recidivism.

Mr. Speaker, again I repeat we found no evidence of brutality. No institution had inmates who registered a complaint of their treatment. Of the lawbreakers, 75 per cent. are recidivists, bitter and at war with constituted authority.

We, the hon. members of this House, are often referred to as "law makers", and often we refer to each other in unkindly terms. We here must set an example to those outside to respect authority, and you, Mr. Speaker, are an example of that authority.

I weary of the "molly coddling" of some people who break the law. I weary of hearing them claim to have strange complexes, and that they are alleged psychopaths. I resent the meddling of well-intentioned people. For instance, remember "Red" Ryan, who was supposed to have been a reformed man, and prevailed upon the late Rt. hon. R. B. Bennett to release him. When he was released, what did he do? He walked out and murdered a man.

Mr. Speaker, we, the hon. members of this House who make the laws must respect authority, the Rules of Proce-

dures, the rules of the House, and the will of the majority.

Just as a little humorous aside, I would like to refer you to page 99 of the Parliamentary procedure, which reads:

Sergeant-at-Arms. He conducts all prisoners to the Bar of the House to be reprimanded by the Speaker, and also persons in custody to be examined as witnesses, and is responsible for the safekeeping of prisoners committed into custody by the Speaker.

Mr. Speaker, I will obey the constituted authority invested in you, and I hope others will follow suit.

The committee's report contained 142 recommendations, 19 of which were not within the jurisdiction of The Department of Reform Institutions, leaving a balance of 123. Of the remaining 123, I learned from the department, 80 have been implemented or are in process of implementation.

That is a very fair record.

In regard to probation; it has met with very great success. In contrast with the prisoners assigned to reform institutions with those on probation, let us not forget those on probation are in a preferred class, and those who go to our reform institutions are certainly not the "cream of the crop."

The hon. Attorney-General's department, through probation, is doing a very constructive service, such as Brampton with the selected group of first offenders. Mr. Speaker, I cannot speak too highly of the work being done in the Alexander Brown alcoholic clinic, the drug addict clinic, and the clinic at Guelph.

I was very pleased to hear the hon. Minister this morning say that at Guelph the neuropsychiatric clinic will examine, study and give treatment to all who are sent there. The medical officer in any one of our institutions or jails can send anyone there for examination. The hon. Minister and the Deputy Minister have assured me they can proceed just as rapidly as the professional help can be obtained. This is the basis of, and

the start toward, building up a complete diagnostic centre for all first offenders, and I am very glad to know the hon. Minister is in the process of arranging this.

At the Mercer health clinic, during the latter part of the sentences, the psychologist, psychiatrist, doctor, social worker, and nurses will study the needs of these women.

In 1953, there were only 17 probation officers covering 3 areas: Toronto, Ottawa and Hamilton. In 1956, there were 85 probation officers covering 40 of the 48 areas in the province. The total number under probation supervision in 1932 was 3,000, including 1,000 adults and 2,000 children. The total number under probation supervision in 1955 was 9,919, including 6,094 adults and 3,825 children. Actually placed on probation during 1955 were 5,380, including 3,158 adults and 2,222 children.

The number of consultations made by probation officers with marital conflicts between husband and wife amounted to 72,688, which would probably represent about 25,000 different cases. The total number of reporting visits made by probationers to probation officers for supervision was 47,087, and the total number of visits by officers to probationers' homes amounted to 38,267. The total number of pre-sentence reports and social histories prepared by probation officers for the courts was 5,650.

The total amount of restitution collected from probations following conviction in criminal courts was \$43,586.35. The total amount of money collected through probation officers for deserted wives and children amounted to \$2,375,000-odd. Of this amount, \$1 million was collected by the Toronto courts.

The total amount of earnings of the 6,094 adult probationers during 1955, instead of being in an institution, earned in wages, \$10 million. I think this is a very creditable record.

Regarding corporal punishment; I do not intend to discuss this subject fully, but I respectfully suggest the reading of the report of the select committee.

I would like to direct the hon. CCF leader (Mr. MacDonald) to read particularly pages 6527, 6535, and 6536.

It has been said in this House that certain jurisdictions have abolished corporal punishment. Yes, I have learned on the most reliable authority in the United States that where it has been abolished, when they were asked what had taken its place, how did they punish these men if they could not use corporal punishment, the answer was—I will leave out some of the words: "Well, what do you think? We just do not let them 'get away' with it. We just take them out and beat hell out of them."

There is the answer our officials received, in certain states where corporal punishment had been abandoned in the the Statutes, but that is how it is handled.

Dr. Stokes, professor of psychiatry at the University of Toronto, when asked if a surgical operation was the cure for sex deviates, told the committee: "It has been tried in Europe without success." Indefinite incarceration would deter the accused and protect society, but it is not the cure.

The chief constable of Toronto advised me that the percentage of persons arrested for sexual offences in relation to total arrests in 1952 was 1.2 per cent; 1953, 1 per cent; 1954, .09 per cent.

Dr. Alfred Kinsey says this on the sex problem:

We question the validity of any statement that sex crimes have increased; 3 or 4 sex crimes against children do not constitute a crime wave. As in racial and nationalistic hysteria, the present public concern over sex crimes is a product of emphasis on particular cases without consideration of the statistical incidence in the total population.

It is in the public interest to guard against hysteria. I will not take time to feature that subject.

Do not let the misdeeds of a few offenders brand our people wrongfully or improperly. The vast majority of our young people are clean, decent

members of society, a credit to Canada, and are great Canadians. A group of young women, many young mothers, aroused by the sadistic offences organized the Parents' Action League, which is endorsed by 70 organizations and has a membership of approximately 3 million. They applied for a charter. The hon. Prime Minister has granted it and congratulated them, and the hon. Provincial Secretary was kind enough to remit the fees.

Many conferences were held with the hon. Prime Minister, the hon. Attorney-General, the hon. Minister of Health, the hon. Minister of Reform Institutions, and scientists and psychiatrists, and, under the direction of the hon. Minister of Health, a clinic is being established adjoining the psychiatric hospital. Also, all Ontario hospital facilities are made available, and further clinics in university centres will be opened. All persons accused of sex offences will pass through the clinic for examination and treatment. I would say, Mr. Speaker, that is really leadership.

Under Dr. Gray, a board will operate to assist the courts, and all persons so charged, before parole or discharge to free society, will be examined by this new board of scientists. Also, the hon. Minister of Reform Institutions has established a clinic at Guelph. I had the privilege of appearing before Chief Justice McRuer and heard the hon. Attorney-General, hon. Minister of Reform Institutions, hon. Minister of Health, and their efficient officials present their briefs.

The government has provided the scientific facilities, and has recommended the necessary federal action, but, remember, you cannot make character by legislation or surgery. The church of your particular faith, your home, can do a great deal. Let us cease giving unlimited adherence to the modern philosophy of child self-expression by strengthening the restoration of sound family life.

John Collingwood Reade said in a broadcast:

Fathers expected their boys to be home by a certain hour, and want to know where they are going in the evenings. Mothers did not allow their girls to go out after dark unless suitably escorted. Perhaps this may sound old-fashioned and a terrible intrusion of parental authority on the susceptible minds of young people. Nevertheless, it must be observed that great men and great women in, I think, more numbers and wider variety have flourished in the latter part of the last century and the first part of this than is the case now.

Mr. Speaker, this problem of sex is as old as man. The authorities say it is not more rampant, but we are more aware of it due to modern means of news communication. There is a misplaced sympathy with lawbreakers known as "psychopaths". A former inmate came to me in the buildings the other day, a man with a long record, and told me that when he was in Burwash, a young recidivist told him, "Dad, when you get into trouble, come to us, we will teach you how to be a psychopath overnight." This is the kind of person who makes trouble in our institutions.

What is a psychopath? A psychopath is a type you cannot have certified as an insane person — not conventionally insane—but in more complete control of his faculties than most men could ever hope to be, not mad, but something far more dangerous, a powerful living soul obeying nothing but its own desires, and moving in a realm outside the normal. I think that segregation of this type at Millbrook will substantially advance reform among the others.

I join with the other hon. members in expressing appreciation for the excellent service rendered to the people of Ontario by the officials and members of the civil service. Prompt and courteous attention is given to every inquiry, the buildings, and the offices are always clean, orderly and conducive to favourably impressing all who may have occasion to enter.

A note of appreciation should be given in regard to the general conditions it is our good fortune to enjoy in Ontario. We are experiencing a growth in population, and an increasing faith in the province, which is demonstrated by increasing investments of capital. There have been steady advances in agriculture, and increasing export of our products.

We have had steady employment provided by sound economy, and prudent use of our God-given natural resources, and the steady influx of new industry and investment capital. We have enjoyed good times, and good provincial government. With the St. Lawrence project and other major fields of endeavour, Ontario's prosperity will continue and expand.

Toronto's prosperity, like that of Ontario, is indivisible from that of our nation, Canada.

There is a challenge to each and every one of us in this province, and this nation, to assume our inescapable individual responsibilities to preserve that which has been committed to our trust. Let every citizen in our province assume and discharge our duties to preserve democracy, and continue to live by the faith of our fathers.

MR. F. M. CASS (Grenville-Dundas): Mr. Speaker, I would like at this late hour to congratulate you on your attainment of the office to which you have been elected in this Assembly. I want to thank you, as a new member, for the guidance and courtesy which you have given me, and I am sure to all the other new hon. members of this Assembly.

I was very pleased, Mr. Speaker, to see in the official Opposition at this session, younger and newer hon. members of the Party taking such a part in the discussions before the House, particularly the hon. member for Waterloo North (Mr. Wintermeyer) and the hon. member for Bruce (Mr. Whicher). There were times when I was not sure to which House I had been elected, when the hon. member for Bruce was giving us his various views on certain

national as well as provincial matters, but it is heartening to see this resurgence of ability and expression on the other side of this House.

I am sure we all admire the ability of the hon. leader of the other Party (Mr. MacDonald) in this House. We all congratulate him on his hard work, the efforts and preparation he has put into his contributions to this House. My regret, Mr. Speaker—and I am sure it is the regret of all hon. members, at least on this side of the House—that is the hon. member should have chosen a course of destructive criticism as has been so often pointed out when he is in his place in the House. I regret that such ability, and undoubted hard work, should be given such a poor place in the scheme of this House.

I am very grateful for the privilege of representing one of the oldest sections of this great province, one of the older counties—in fact, two—because I represent a joint constituency. The hon. member for Carleton (Mr. W. E. Johnston) outlined the other day in this House the history of the eastern part of Ontario, and I merely wish to point out, Mr. Speaker, that the district of Lunenburg, which the hon. member for Carleton mentioned, as being one of the earliest districts in what is now this great province, was composed of the great counties which I now represent.

My constituency has made a very great contribution to this province in the past years, and the county of Grenville-Dundas is not unknown in the political history of Ontario. In Dundas, we still remember with pride the name of Sir James Whitney, who was first elected to the 11th Legislature on January 25, 1905, and served until his death in 1940. I would like to tell the House that Sir James Whitney was one of the organizers of the great corporation which is now called the Hydro-Electric Power Commission, and we in eastern Ontario are most unhappy that in the great project in our district, there is as yet no memorial nor any mention of the name of "Whitney", who had so much to do with founding this great commission.

In the county of Grenville, we remember with pride and gratitude the name of another great Premier of this province; I refer to the hon. G. Howard Ferguson, who was first elected to this Legislature on January 25, 1905, and was Prime Minister continuously from July 6, 1923, until December 5, 1930.

There are many things I could say, Mr. Speaker, about G. Howard Ferguson. When I went up north with the mining committee a short time ago, everywhere I heard that the opening of the north was, in large measure due to the first access roads and highways which were pushed through the north by G. Howard Ferguson, when he was Prime Minister of Ontario. That is a programme which our present hon. Prime Minister is continuing, with the full support of this government.

You will see, therefore, Mr. Speaker, that my illustrious predecessors in eastern Ontario, whom I have named, have been men who looked to the future, and who had no sectional viewpoint, but their efforts were for the betterment of our great province as a whole.

For more than 25 years prior to the election last summer, the constituency of Grenville-Dundas was represented by another man to whom I wish to refer at this time, the hon. George H. Challies. Mr. Challies was a member of this House continuously for over 25 years, and was a public servant of great ability. I know, as he became more involved in his great love, Hydro, perhaps he became interested in it, to the exclusion of many other things. But I would like to go on record in this House, Mr. Speaker, by saying that no constituency, and no people, ever had a more sincere representative, a more courteous servant of the people, or a greater gentleman representing them in this House, than my predecessor, the hon. George H. Challies.

As chairman of that new commission—to which I will refer in a few minutes—Mr. Challies will do a great deal more, not only for all of us in eastern Ontario, but for this great province of Ontario.

Mr. Speaker, in the counties of Grenville and Dundas, we have many things

of which we are proud, and which are very interesting, some of which I wish to mention. This government has been from time to time responsible, in whole or in part, in a very great measure, for these things of which we are so proud, and which are filling such a great place in our community.

First of all, I would like to mention—because it is my home and district—the wonderful hospital in the village of Winchester, which is a town of 1,500 people, a rural farm town. The closest hospital was some 50 miles away, and those of us, Mr. Speaker, who come from rural areas realize what it means when someone in the family has to go to hospital, and the family is broken up, and no one can get to see the sick one without a great deal of expense.

The people of Winchester got together in 1944, and with the assistance of Mr. Challies, and the then hon. Minister of Health (Mr. Kelly), a charter was obtained and a 30-bed hospital was erected, and with grants from this province, which I might say, Mr. Speaker, contributed in full to construction and maintenance grants, and with a fragmentary grant from the federal government, reduced because of a technicality, and with assistance from such organizations as the Atkinson Foundation—and I would like to pay tribute to the assistance given to the Winchester District Memorial Hospital by way of a large contribution for X-ray and other technical apparatus by the Atkinson Foundation—this hospital came into being.

It serves some 10,000 people. It has a women's auxiliary numbering some 1,100 women, if you can believe it, and it is one of the few public hospitals which operate "in the black" in the province of Ontario.

I would say that one of the reasons is the grants which we received from this government, and another is the tremendous assistance, financially and otherwise, given to this hospital by the women's auxiliary. The third reason is that there is always a waiting list and in rural districts we do not have too many indigent patients. We have enough to

create a problem, but, generally speaking, the people wish to pay their way, and if they have not the money, they mortgage their farms to secure the money.

In Kemptville, in the eastern part of the constituency, our former Prime Minister, G. Howard Ferguson, left two institutions which I will mention briefly, and which exert a great influence in eastern Ontario. First of all, there is the G. Howard Ferguson Forestry Station. That is a new branch of our Department of Lands and Forests, having been in operation only a few years. I may say it is of great guidance to the people of our district in many ways, not the least of which is the reforestation of many parts of our counties, and eastern Ontario, which never should have been cleared, and which we now realize, with the guidance of our Forestry department, should be replanted, and that is being done.

At Kemptville, we have the agricultural school, where the young men from the farms, where there is very little ready money, can go to a school and learn the most modern and up-to-date methods, and receive instruction in the problems of farming. These young people do not need a great deal of book learning, although they can secure that too, but they can have a short or long course, and go home and operate the farms themselves, or help their "Dads" operate the farms, with the very newest techniques.

Earlier in this session I was struck by the remarks of the hon. Minister of Education (Mr. Dunlop) when he stated that throughout Ontario there would be a "network"—if I may use that word—of junior colleges. In the committee on education, these remarks were expanded and explored, and it appeared that one of the hopes of the department was to have these junior colleges, first of all, where the need arose, and, secondly, where the facilities could be met most easily.

I would like to point out to the hon. Minister of Education and the hon. Minister of Agriculture (Mr. F. S.

Thomas), that in Kemptville, we have a perfect situation for one of those junior colleges. We have a very modern plant accommodating a great number of students, which could easily be increased; we have the connection with the Ontario Agricultural College at Guelph. I would strongly urge on the hon. Ministers to give very serious consideration to the campus of the Kemptville agricultural school, as a site for one of the new junior colleges.

Along the front of Grenville county, we have a development which I hope is setting the pattern for the rest of the shore of the St. Lawrence River in eastern Ontario. Over a period of 5 or 6 years, we have had the establishment of some tremendously large plants, including what was formerly the CIL plant, and since that huge organization was split, we now have the new Dupont of Canada plant, which makes synthetic textiles, and other similar products.

I noticed in the newspaper the other day with a great deal of pleasure, that Dupont was establishing another huge plant nearby.

There are smaller plants, in comparison with the large industrial centres such as Toronto and Hamilton. There is decentralization of industry; they provide employment to large numbers of people in eastern Ontario, and are ideally situated, with the St. Lawrence River on their doorstep, and cheap power very close by. We anticipate this will be a pattern for the development from Brockville to Cornwall in the not too distant future.

Bearing the name "MacIntosh" as I do, I cannot refrain from mentioning that in Dundas county, we have the home of the original MacIntosh red apple. We have all tasted it, and many of its descendants. If for no other reason than that Dundas county has a place in agricultural history because of this great apple, I regret that the construction of the St. Lawrence seaway will result in many of the old Dundas county MacIntosh red apple orchards being destroyed. However, arrangements are being made for the stock to

be continued in our county, and we are all relieved that is so.

I perused the Budget delivered by the hon. Provincial Treasurer (Mr. Porter), and I have listened to many of the things said about it. For a number of years, we had similar Budgets, and neither we, nor our constituents, nor anyone else, has suffered from them. Therefore, having heard no great clamour for a change, I believe we have had good government and as good a Budget as we in Ontario would wish. The tremendous and phenomenal growth of our province in trade and industry has been due, to a large extent, to the down-to-earth and reasonable foresight of the hon. members of this House year in and year out, and by the hon. Provincial Treasurer and his predecessors. Therefore, I urge the hon. Provincial Treasurer to continue to bring down Budgets of this kind, and I know he will do so, insofar as he can.

In looking over the various Blue Papers which accompanied the Budget, I was pleased to see that finally the hon. Minister of Highways (Mr. Allan) has had impressed upon him the fact that in eastern Ontario we have something which no other part of Canada has, that is, the national capital. My constituency, and those of the hon. members for Leeds, Lanark and Carleton, lie between this national capital and the great United States of America, with its teeming population of prospective tourists.

For as long as I can remember, it has been almost impossible to travel from the northern boundary of the United States to the national capital by a highway which could be given the name "highway".

We have two highways. We have No. 31, from Morrisburg to Ottawa, and we have highway No. 16, from Johnstown Corners to Ottawa. Over the years, these highways never have been in a condition to attract tourists to our national capital. Therefore, I was very pleased to see, in the Blue Paper on Highways, that provision is

being made for, if not the completion, at least extensive work on these two highways.

I would strongly recommend to the hon. Minister that before any new highways are constructed, leading from Ottawa to the south, the two existing highways known to travellers should be put into a very good state of repair for their entire length, and should be brought up to proper highway standards.

I would like to say, also, that in eastern Ontario the rural population has appreciated, very much, the efforts of The Department of Highways to assist in the rural road building there, through the development of road subsidies and a system of grants. It may be that not a great deal of money has been spent in this way, as compared to the total Budget of The Department of Highways. But I wish to assure the House that it is money spent where the people in rural Ontario can see it, and make use of it. I congratulate the department on continuing this system for the coming year.

My counties have always been rural and agricultural. They are old counties. Families have been there for generations on the same farms, even back to the 18th century, before the year 1800. They feel that rural Ontario has not been receiving its just share of the expansion and prosperity of the rest of Ontario. As a result, the younger generation of these long-rooted families have been leaving rural areas, and going into the cities, to the great industrial giants like Toronto and Hamilton, where they secure an 8-hour day and a 5-day week, with no capital investment necessary, and no overtime unless they wish to do it. On that account, we are left with farms being operated by fathers and mothers, who are long past the age for successfully operating the farms.

The trend at the present time seems to be very satisfactory. We are receiving, in the counties of Grenville and Dundas, large numbers of new Canadians who have arrived from Holland.

I wish to go on record as saying we are very pleased to have them. They are good farmers, they respect and enjoy our standard of living, they are honest, God-fearing and hard working, and are making good rural Ontarians. We welcome them to our part of the province.

With respect to agriculture, I have little to add to what has been said by other rural hon. members, particularly those from eastern Ontario. The government, and particularly the hon. Minister of Agriculture (Mr. F. S. Thomas), are doing their utmost, I am sure, to meet the great needs of our rural population at the present time. By and large, our farmers are grateful to this government for the opportunity which it is giving them, through its marketing legislation, to organize and deal with their products in the same manner as are the products of other industries.

I wish to add merely a word of caution. The government has set up the machinery, and if a farmer wishes to be able to make use of it, he should do so, but he should not be forced to make use of it, unless there is a very great majority of his fellow farmers who feel the same way.

We are very relieved to know that this government has gone ahead, and when and if necessary, after certain matters are decided by the Supreme Court of Canada, this House will be recalled into special session and action which will be indicated will be taken to re-enact or re-enforce this particular legislation, which the farmers of rural Ontario feel is vital to their survival, as farmers in Ontario, in the future.

MR. SPEAKER: It being 1.00 of the clock, I do now leave the chair.

It being 1.00 of the clock the House took recess.

FOURTH ERRATA

(March 14th-21st, inclusive)

<i>Page</i>	<i>Column</i>	<i>Line</i>	<i>Correction</i>
1058	2	47-48	Change "that building" to "the new reformatory".
1058	2	51	Change "school" to "centre".
1059	1	4	Insert "All of" before "This".
1059	2	8	Change "and" to "new".
1060	1	40	Change "the same thing" to "starting".
1307	2	43	Change "inter-Canada" to "inter-country".
1308	1	54	Change "this scheme" to "these schemes".
1310	1	44	Change "rates" to "production".
1310	2	26-27	Change "divisional" to "extension".
1311	2	29	Insert "live-stock option" between "the" and "Ontario".
1312	1	10	Change "DVS" to "Dairy Herd Improvement".
1320	2	16	Change "22" to "two-thirds of the".



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Second Session of the Twenty-Fifth Legislature

Wednesday, March 28, 1956
Afternoon Session

THE QUEEN'S PRINTER
TORONTO
1956



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LEGISLATURE OF ONTARIO

Speaker: Honourable The Rev. A. W. DOWNER

Roderick G. Lewis, Clerk

WEDNESDAY, MARCH 28, 1956

2 O'CLOCK P.M.

THE BUDGET

The House resumed; Mr. Speaker in the chair.

MR. F. CASS (Grenville-Dundas): Mr. Speaker, at the hour of adjournment of this House, I was about to mention certain matters with respect to the part of this province of Ontario which is commonly called the "Seaway Valley." By that I mean, roughly, the counties of Grenville, Dundas and Stormont, because it is along the waterfronts of those counties that this tremendous seaway development is taking place.

With the hon. member for Stormont (Mr. Manley), I have the privilege, even though the difficulty, of representing the two counties which will be the most disrupted by this development.

As I mentioned earlier today, Mr. Speaker, the St. Lawrence River in that part of our country is very ancient, and almost since the beginning of history it has been used as a waterway to old Ontario. The settlements along that river are very ancient. As I previously said, there are many homesteads where members of the same family have been living for upward of 150 years; in fact, amongst the structures to be removed, and the sites inundated, is the oldest Protestant church in Canada, the Lutheran church in Morrisburg, near

the cemetery in which the late Sir James Whitney is buried.

The seaway, as all hon. members know, has been spoken of for generations. In fact, during the lifetime of most of the people in the district it has been the butt of many jokes, so much so that when, a few short years ago, it became a reality on a very tight time schedule, most of the people were genuinely startled.

There is no denying there has been a great deal of unhappiness and uncertainty among the people in Seaway Valley. We must remember that most of them are living on family farms, and in homes which have been in the family for years, and many of them are elderly people who would be content to spend the rest of their days in the old family homestead, with no thought of moving from the district in which their ancestors lived, nor of selling their properties, even at a profit.

Unfortunately, at the beginning of this great project there was not a good spirit between the powers-that-be who have control of the development, and the local people. As a result, a very large section of good, honest, reasonable people became quite hostile toward that particular scheme. I am pleased to say, Mr. Speaker, that, as occasion arose from time to time, our hon. Prime Minister (Mr. Frost) was approached by the people in our district, and in each case he gave them the necessary assur-

ances that they would be taken care of properly and justly, and certain things would be changed to bring about that improvement. I am proud to say, Mr. Speaker, that, as usual, all the promises made by the hon. Prime Minister have been kept. By far the great majority have been dealt with fairly, and a good job is being done in public relations along the Seaway Valley.

In saying that, I am not to be understood as meaning that everybody is getting what they think they should for the property, nor that every affected municipality is satisfied. That, of course, is impossible. One cannot be unceremoniously uprooted from a domicile occupied for generations, and be entirely happy about it, no matter what the cash consideration might be. But the majority of people do realize that the sacrifices they are making are for the common good of our country, and I ask the hon. members of this House to appreciate that the people of Ontario generally realize that there have been sacrifices made by the people of Seaway Valley.

Everyone will realize, Mr. Speaker, that this great enterprise will change the character of rural Dundas. Where once there was green grass growing along the banks of the rushing St. Lawrence, there will be a huge inland power reserve lake. It is reasonable to hope—and we all hope—that we may share in the decentralization of industry, which is beginning to take shape in our province today, for many reasons.

One reason, of course, is for national security, in the case of disaster or war.

I have tried to point out that decentralization has become a big subject along the upper reaches of Seaway Valley. But we must remember that such decentralization of industry, and the growth of new industry along the banks of the new inland lake, will be possible only if power is available. We know a great deal of power will be generated, as a result of the sacrifices of the local people who have lived there for years, and it is our hope that the government will see to it that a major part of this new power is not exported,

nor carried by transmission lines to the very great industrial areas such as Hamilton and Toronto, but that a sufficient amount will remain available for the many industries which we hope to have, and which will give employment to many of the residents of eastern Ontario.

This whole project is so vast that the ordinary person can hardly appreciate it. Entire communities will be displaced and replaced. Old Iroquois has already begun to disintegrate from the attack of the huge house-moving machines, but we all assume that the new Iroquois will be a more pleasant place in which to live.

Morrisburg, one of the old, proud settlements, is now receiving a face lifting, which will make it one of the most modern communities in the whole province.

I think every hon. member in this House should be given the opportunity of seeing this project as soon as possible. Many hon. members of the House visited eastern Ontario last year at the invitation of the hon. member for Stormont, and I would urge them to come back, because they will hardly believe their eyes at the progress which has been made.

I am sure such a tour of inspection could be arranged by the hon. Minister Without Portfolio (Mr. Warrender) with the co-operation of the chairman of the St. Lawrence development scheme. I would urge that steps be taken to make such a tour of this project available to all hon. members of this House who would like to see our great eastern Ontario, and the St. Lawrence seaway and power development.

While I am speaking of Seaway Valley, I would like to mention, in passing, a very important branch of government we have in that district. I refer to the St. Lawrence development commission, which is being integrated into the Ontario parks system by Bill No. 113, introduced at this session. There is an estimated \$1.5 million for this commission, in those of The De-

partment of Planning and Development. It presently has 5 or 6 employees, but it has a long waiting list of would-be employees, and has a very experienced public servant as chairman, and a very enthusiastic vice-chairman.

But, Mr. Speaker, so far this commission has not been able to do any good work. It has not had a sufficient number of members appointed to enable it to "get on with the job." I would urge the hon. Prime Minister that without further delay he make suitable appointments to this commission, to enable them to get on with this great project, which must be commenced before the power and seaway developments are completed.

In respect to those appointments, I would urge the hon. Prime Minister, having regard to the Bill which set up this commission, to appoint one permanent resident from each of the counties mentioned in the Bill namely, Leeds, Grenville, Dundas, Stormont and Glengarry, so that the local historic effect will not be lost, and that the parks commission will be conducted by people whose roots have been implanted in those counties and know the best and most desirable things which should be accomplished in that section.

Mr. Speaker, I cannot close today without saying a word about an organization which is an integral part of this Parliament, and without which the hon. members of this House could not efficiently carry out our responsibilities to our people. I refer to our permanent civil servants. This has been frequently discussed during this session of Parliament, but they have been carrying on with their work the same as before.

I thought, Mr. Speaker—and I am sure most of the newer hon. members and all of the hon. older ones have also—that the civil service is comprised of a body of sincere and helpful people, who give pleasant service, not only to the hon. members of the House but to the people of Ontario as a whole. And the great success and prosperity we all foresee in the future of this great province rests in the foresight, judgment and intelligence of the executive of this

government, but it is of little avail unless the decisions of the executive can be properly and efficiently carried out.

Mr. Speaker, the record of the past has shown our confidence in the future in both of these to be amply justified.

MR. LLOYD LETHERBY (Simcoe East): Mr. Speaker, in rising to continue the Budget debate, may I join with other hon. members of this House in extending congratulations to you, sir, on the important post you occupy in this Assembly and the pleasing manner in which you preside over the proceedings in this House and to wish you and your gracious lady continuing success and good health.

And, sir, may I congratulate all the hon. members who have been elected to serve in this 25th Legislature. Naturally, we on the government side are proud of having returned 84 hon. members, which I think is an indication of good housekeeping and sound policies by this government in the interests of the people of Ontario.

I would like to pay my respects to the hon. leader of the Opposition (Mr. Oliver).

While the Opposition groups in this House are not as large as they would prefer them to be, they are proving to be alert and effective in their examination and criticism of the legislation which comes before this House. The hon. leader of the Opposition (Mr. Oliver), along with the hon. member for Brant (Mr. Nixon), has had a long, honourable and distinguished career in this Assembly and in the service of the people of this province and can be counted upon to give good leadership to his Party. The new hon. members of his Party have already contributed much to the debates, notably the hon. member for Waterloo North (Mr. Wintermeyer), who led off for his Party on the Budget, and the hon. member for Bruce (Mr. Whicher).

The hon. member for York South (Mr. MacDonald), as the new leader of the CCF Party, replaces the former hon. member for Cochrane South

(Mr. Grummett). A number of us used to refer to him as "wild Bill Grummett." Not only is he an able man but one who was held in high esteem and affection by all hon. members of this House. Now, Mr. Speaker, I think the hon. member for York South is an able young man who could accomplish more for his Party if he were less cynical in his approach and manner regarding legislation which comes before the Legislature.

Now, Mr. Speaker, I would like to congratulate the hon. Provincial Treasurer (Mr. Porter) on his first and record-breaking Budget which is now before the House. This Budget is not only of tremendous interest and benefit to the people of Ontario but it is particularly of importance to the people of my riding of Simcoe East. Great benefits will come to my people by way of improved roads and highway expansion, extensive public works, educational grants, increased help for our municipalities, tourist promotion and additional hydro construction in our rural areas.

Simcoe East, with its great historic background, in addition to its two important industrial centres, Midland and Orillia, and our rich farm lands, is a vital link in the great tourist industry of this province.

Simcoe East in addition to its many beautiful lakes, rivers and bays is the gateway to the famed 30,000 Islands of the Georgian Bay, the Trent waterway, Muskoka and the great northland. It is therefore essential that we have good roads to channel the many thousands of tourists who pass through our county annually. And may I congratulate the hon. Minister of Highways (Mr. Allan) for the generous help he is giving us in this regard.

The completion of the Orillia bypass and the Washago bypass which formerly created serious bottlenecks is of great benefit to all north-bound traffic. The people of my riding are delighted with the construction which is now under way on the large cloverleaf and the overhead structure on the Orillia bypass on highway No. 11.

Within a few weeks grading and re-surfacing will start on highway No. 12 between Waubauskene, Port McNicoll and Midland. A new channelization intersection is to be installed at the point of highways No. 12 and No. 27 just west of Midland. This has been a dangerous intersection for many years. For some months work has been under way for the grading and paving of highway No. 93 from Craighurst to Waverley.

Further grading will be carried out from Waubauskene to Port Severn, with new bridges to be constructed at Waubauskene and Port Severn. An overhead structure will eliminate the dangerous level crossing on highway No. 103 at Waubauskene which will link with the trans-Canada highway.

Construction is well under way on the trans-Canada highway between Port Severn and Footes Bay which when completed will handle a tremendous volume of traffic to the north.

To meet requirements of the rapidly expanding provincial hospital system, additions and improvements are going forward at the Ontario Hospital School, Orillia, and a new 150-bed addition will be constructed to the criminally insane building at Penetanguishene.

We in Simcoe East are not unmindful of the generous financial help we have received in recent months in the construction of new hospital accommodation and new schools throughout the riding.

In connection with the industrial progress being achieved in Simcoe East, I wish to commend the numerous promotional organizations which are helping to attract new industries and expand the tourist trade.

A comparatively new organization, sponsored by the Frost government with the co-operation of the municipalities, is the Georgian Bay development association. It has already played an important part in the establishment or relocation of industries. The association, which includes 62 towns, villages and townships, covering a number of constituencies, has officially approved the

government's water resources plan. Happily we in the Georgian Bay have adequate water supply.

The government's proposal to assist municipal sewage disposal facilities where needed will come as welcome news to many councils. A number of municipalities in my riding, including my home town of Coldwater are facing improved sewage disposal, on recommendation of the Simcoe County Health Unit. The cost of such undertakings, without assistance, would prove a serious problem to urban centres.

Now, Mr. Speaker, I would like to refer to another matter of great importance to my riding and the province as a whole. This is the proposal made a few days ago by the hon. Minister of Reform Institutions (Mr. Foote) dealing with the possible establishment of conservation farms. I particularly support this idea because of the concerted efforts made in recent years by various groups in Simcoe East. In the forefront of those urging this move I must include the *Midland Free-Press Herald* which has been urging special conservation projects in recent years. The March 16 issue of the *Midland* weekly has brought this very important subject to the attention of the public in a very comprehensive and commendable manner.

The idea of combining a much needed conservation programme with opportunity for rehabilitation of short-term inmates of industrial institutions would serve a double and useful purpose.

North Simcoe would be an ideal location for such a project, because if there should be periods when the farm work is well under way and additional work for those involved might be required, we have adjacently located the huge Severn River forest management area. This provincial resort district under the management of forester Ritchie Lane of Coldwater is at the present time carrying out a new parks programme in addition to a well ordered conservation schedule.

Such pioneers in conservation methods as former Premier Ernest C. Drury are enthusiastically behind this

proposal. And if this reclamation scheme is proceeded with, I would strongly urge that Mr. Drury be a member of the advisory committee from the outset.

From personal knowledge, outstanding experts in the conservation field are heartily in accord with an immediate expansion of soil, water conservation and rehabilitation of individuals.

Among those urging the implementation of this forward-looking programme are county and municipal councils, conservation and development associations, tourist organizations and many officials at present serving as chief magistrates of their municipalities or in similar positions of public responsibility.

What makes North Simcoe a particularly logical place to establish a pilot farm is that a complete survey of a large area has been completed. This survey, the first detailed land use blueprint of its kind in Canada, includes mapping and soil testing of every field and wood-lot in the townships of Tiny, Tay, Flos and Medonte. An additional favourable factor, as is realized by the hon. Minister (Mr. Mapledoram), is the fact that the properties referred to are adjacent to Crown forests on the new trans-Canada highway.

The need for additional conservation is brought forcibly to my mind each year due to the fact that serious flooding with resultant property damage and loss of topsoil occurs in Coldwater district and other areas in North Simcoe. It is my earnest hope that the hon. Minister of Reform Institutions (Mr. Foote) and the government will act speedily to pass effective legislation for the location of these needed farms.

Now, Mr. Speaker, there are a number of matters in my riding, urgently requiring action, but they are the responsibility of the federal government which thus far has failed to do anything about them.

Last year when speaking in the House, I deplored the inefficiency of the marine railway at the big chute on the Severn River. This is a vital link in the scenic Trent waterways' system,

which should be one of the greatest tourist attractions in central Ontario. At one time the marine railway could transport to a higher level cruisers up to 35 tons in weight. Following a number of accidents to pleasure craft on the railway because of worn out and faulty equipment, the tonnage was reduced to 25 tons and later to 15 tons.

This situation prevents many cruisers from enjoying this waterway. The condition of this railway has been known to the federal authorities for years and yet they do nothing about it.

I think serious consideration should be given to the proposal of the *Orillia Packet and Times* that a new lock should be built at the big chute. That newspaper points out that at one time Orillia proponents of a new lock were assured it would be built. It is poor policy to spend millions of dollars on the Trent waterway and leave one end virtually blocked off. An efficient lock at the chute would allow boats to travel by water from Lake Ontario to the Georgian Bay. It would be a tremendous asset to the tourist programme of this province and Canada as a whole.

Mr. Speaker, I was gratified to hear the hon. Attorney-General (Mr. Roberts) recently in this House calling attention to the serious loss of life at level crossings. This is another problem which comes under federal jurisdiction.

In the village of Coldwater there are 3 level crossings with no visible warning devices. One crossing is near a school and another is on the main street. Every year people are getting killed or injured at such crossings. In the current safety campaigns I am happy to hear that boards such as railway commissioners are going to set an example by devising a programme of elimination of dangerous crossings.

Another undertaking which should be carried out in Coldwater is the dredging of the Coldwater River from a point below the village's northern limits to the Georgian Bay. There are many owners of small boats using the river who do so at considerable risk owing to accumulated debris or shallow spots. If

the federal department in charge of marine affairs would have this channel cleared, it would provide increased use by pleasure boats plying the Georgian Bay and adjacent waters. The river should be opened up from a historic standpoint alone, as many years ago boats were built and launched in Coldwater which were sailed across the oceans of the world.

Now, Mr. Speaker, in conclusion may I say that with our rapidly expanding economy in this province it has been necessary for this government to increase estimates in the major spending departments such as highways, education, health, welfare and public works, and I think that, by and large, we are all agreed that these expenditures are justified.

However, with legislation for a water resources plan which will run into millions, with the likelihood of a hospital insurance plan which might require another \$200 million, with mounting educational costs, I think this government should proceed with caution.

I favour an increase in the old-age pension. I cannot see where \$40 a month is sufficient in this day to keep our honoured senior citizens. I go along with a hospital insurance scheme. However, many thousands of our people have hospitalization of one kind or another and we must proceed with caution not to disrupt plans now in effect.

Let us not be too hasty and give this matter a good look. The federal government has been playing around with this proposal for 37 years and have done nothing yet about it.

I say, sir, let us proceed with caution lest we load the backs of the people of this province with a burden of taxation which may prove too great for them to carry.

As I conclude, Mr. Speaker, I would like to pay tribute to the leadership qualities of my hon. leader the Prime Minister (Mr. Frost). He has had a long and distinguished career in this House and in the service of the people of this province. He became Prime

Minister in 1949, and his position is stronger today than at any previous time. He is Simcoe East's most prominent and most popular son. And while the Opposition often chide us government members for extolling the greatness of our leader, we indeed would be an ungrateful and unappreciative bunch of punks if we didn't.

MR. ARTHUR FROST (Bracondale): Mr. Speaker, I feel it is a great honour and privilege to address the Legislature during its last closing minutes, and I wish every hon. member a most sincere, successful summer holiday.

Mr. Speaker, it is a pleasant duty to extend to the hon. Treasurer of Ontario (Mr. Porter) my congratulations on the presentation of his first Budget. The hon. Prime Minister (Mr. Frost), in relinquishing the duties of the Treasurer of this province, has made a decision which will meet with approval, for the simple reason that the duties of the hon. Prime Minister's post have become an increasingly heavy burden of themselves.

The pressures of a Ministerial post in this or any government today are very heavy indeed. They are, shall I say, merciless; hence, I think we all rejoice that the hon. Prime Minister has been able to lighten a very heavy load by transferring the duties of the Treasury to a colleague who has enjoyed a varied experience in a number of departments of this government.

Our hon. friend, the hon. Provincial Treasurer, has displayed his ability in public service in a number of fields—as a private hon. member of this House—as hon. Minister of Planning and Development, as hon. Minister of Education, and as hon. Attorney-General. All this experience now stands him in good stead, and I think his able presentation of a few days ago, setting forth the finances of Ontario, speaks well for his future success in one of the most important departments of government. I congratulate him, and I wish him all success in his new post.

Mr. Speaker, I am impressed, and I think every hon. member of this House is impressed by the astonishing growth and development in this province, as evidenced by the Budget statement presented to us a few days ago. A few years ago very few of us could have foreseen a Budget providing for current revenues and expenditures of \$410 million. This would have seemed out of the question. And yet today, I think there is little to criticize in looking at the scope of the expenditures proposed for our incoming fiscal year. In fact, had we the funds available, we should wish to do much more than is actually proposed.

There will be little criticism as to our aid for education. Some \$84 million is to be made available for grants in the 1956-57 fiscal year. We like to retain a maximum of local fiscal autonomy in the conduct of our schools.

But local taxation can no longer pay anything like the full cost of our educational facilities. There simply is a limit to real estate taxation. There is no greater asset in this or any democratic country than individual home ownership. Taxes on homes are heavy enough already. If they become much higher, then home ownership tends to become a fallacy, for the home owner, in effect, simply becomes a tenant with the municipality becoming a landlord.

As a matter of fact, many a home owner today pays in municipal taxes what, a few years ago, would have been regarded as a very fair rental. Therefore, anything this or any government may do to hold the line as related to taxation on homes, is all to the good.

I am glad that the hon. Minister of Education (Mr. Dunlop) has on many occasions warned that we must for some time be content with facilities for a sound basic education. I don't like the term "frills" as applied to gymnasias, swimming pools, and so on, for these are desirable features of large schools. But the time is here when we must in degree be content with what we can afford rather than what we should like to have. In other words, the precautions we apply in relation to our personal

affairs should also apply in regard to affairs of government.

I do not think there will be any serious quarrel with the proposed aid to our universities—\$35 million for next year—an increase of \$7.1 million. The added aid to the University of Toronto will be very welcome. We must be in a position to graduate more doctors and more dentists. This is necessary if we are to continue to protect the health of our people.

Mr. Speaker, we must graduate more engineers, civil, chemical, electrical and mining, if we are to be in a position to continue the development of our resources. Again, we need more graduates in business administration and economics. It might even be contended that we must graduate more lawyers, though that is an argument to which I am scarcely qualified to contribute.

The marked success of the Ryerson Institute of Technology is ample proof of the existence of a place in our economy for the development of junior colleges or junior universities, or whatever may finally be adopted as the official description. These colleges, like the Ryerson Institute, constitute a happy medium as between the universities and the high schools and collegiate institutes. I hope the plan will develop with all due haste as a major aid to the youth of Ontario.

The health vote has now reached \$65.9 million. This increased expenditure, year after year, means a tremendous growth in our public hospital accommodation. Since this government launched its system of capital grants, along with its increased aid as to maintenance, something like 36,000 beds have been added to Ontario's hospital establishment. Maintenance grants, paid under an entirely new system, have increased from \$1 million a year to more than \$20 million, no small accomplishment in itself.

I have no doubt the hon. Minister of Health (Mr. Phillips) will discuss these and related matters in some detail. Obviously, if we are going to have a reasonably comprehensive scheme of hospital insurance, we must first have

the hospitals, and that is something we have been helping to accomplish for a good many years past. I wish to congratulate our hard working and competent hon. Prime Minister and the chairman of our health committee—our physician member for Ontario—for the wonderful accomplishment.

Our highways programme is no less imposing. The hon. Minister of Highways (Mr. Allan) has given us the details. I was impressed with his recent statement that our programme for this year will be limited only by the men, machines, materials and money available for highway construction and betterment. Here, we are creating an enduring asset, something we can see, something we can use, something that will hasten the development of Ontario, an enduring asset for this and coming generations. I think our Ontario taxpayers are solidly behind our highways programme. They only wish that it could be bigger and better and faster. They do not mind seeing their money going into a solid investment like our highways.

Our taxpayers are a little dubious about seeing their hard-earned money go into the maintenance of embassies in every banana republic. They are dubious about a national defence programme when all they are told about it is that it is costing them \$2 billion and more each year. They are a little worried about the capacity of a government that has a billion bushels of wheat under its control, and is unable to market it in a world that is full of empty stomachs.

It is different here in Ontario. There is value received in relation to our revenues and our expenditures. We see it in new or enlarged schools and universities. We see it in highways. We see it in hydro developments. We see it in our welfare measures and in new and better homes for the aged. We see it in a vastly improved tourist trade. We see it in agriculture; we have at Guelph the Ontario Agricultural College and the Ontario Veterinary College, two institutions of specialized learning with a world-wide reputation.

And we see it in our reform institutions. For the critics of our system of industrial farms and reformatories, I suggest comparison with the federal penitentiaries. Have a look at the recent speech of Senator David Croll and read his condemnation of the federal system of prisons; and remember that Senator Croll was a veteran member of Parliament as well as being a graduate of this House.

Penal systems have been the subject of change and experiment for centuries. They always will be. But here in Ontario, certain basic factors present themselves; certain features are there in relation to inmates whether they are casual offenders, victims of environment, or simply enemies of society. They are well housed, comfortably provided for; they are well fed; the illiterate are given an education and those who wish to advance themselves are given opportunity.

They are required to work; many of them, what is more, are *taught* to work. They are helped to fit themselves to earn an honest livelihood. They are paroled when this is indicated; and some 4,000 convicted persons are walking our streets, supporting themselves and their families under the eyes of some 80 probation officers. That is much better than being supported by the state within prison walls. What province, I ask you, is doing as much along the lines of practical care and rehabilitation?

Now, Mr. Speaker, a most interesting feature of the Budget presentation of the hon. Provincial Treasurer is found in a table appearing on page B23 of the impressive statement presented to the House. Here, we see the division of the Canadian tax dollar.

Our provincial and municipal governments perform services that affect the daily lives of our people. What they do is reflected in things we see all about us, things which we need if we are to survive, things that are essential in maintaining our prosperity and our standard of living.

Mr. Speaker, just now we are setting up an Ontario water resources com-

mittee, charged initially with solving the water supply problem of south-western Ontario and with eliminating pollution of our lakes and streams. Surely this is a practical measure if ever there was one.

Now turn to the *Globe and Mail* of March 7, and read from the Ottawa letter of George Bain, a brilliant correspondent who served his apprenticeship in our local press gallery. Apparently the city of Ottawa has no sewage treatment plant—this, the capital of this Dominion. Through 20 outlets the raw sewage of Ottawa is poured into the Ottawa River, a beautiful and historic stream. Just think of this in Canada's capital.

Mr. Speaker, I am not criticizing the city of Ottawa nor its local council. Like every other municipality, it is hard pressed to meet its own financial problems. What I am getting at is that right under the nose of the government of Canada there is a startling example of municipal need; an example that can be multiplied all over Canada.

In 1867, representatives of this country met in Charlottetown. They represented Ontario, Quebec, British Columbia and the Maritimes. They laid the foundation for Confederation; they, in fact, laid the foundation of this nation. They were building, they thought, a greater Canada. Did they for one minute conceive the idea that they were building a monster with a financial appetite designed to destroy local government, and to devour the substance of the people? Not for one moment. The government of this Dominion is the creation of the provinces of this nation, and it is within the power of the provinces to curb and to contain and to discipline that which was their own creation.

Mr. Speaker, our distinguished hon. Prime Minister, with his colleagues from the other provinces, approached the Ottawa autocracy the other day in a spirit of goodwill and co-operation. And how were they met? The Great White Father, in the words of "Kansas City," declared, "We've gone about as far as we can go." The little lawyer

from Markdale, more interested in reaching for the mantle of succession than in the needs of his native province, echoed the words of his faltering chief.

Mr. Speaker, the hon. Prime Minister of Ontario said, and said truly:

They were wrong in 1945, they were wrong in 1952, and they are wrong today. And they will find out how wrong they are in about 5 years when they come face to face with the realization that today's lack of foresight will bring this country to the brink of economic disaster.

Mr. Speaker, let me say that the direction of Ontario's affairs is in safe hands. The reaffirmation of the doctrine of provincial rights is overdue. It is the most burning question in Canada today. It relates not only to our provinces but to our thousands of struggling municipal governments.

Now, Mr. Speaker, let me conclude by saying that the provinces made Confederation. It is within their power to force such a realignment of powers and duties as will make Canada, its provinces and its municipalities the structure which was well and truly designed by the fathers of Confederation. If Ottawa will not listen to reason, then the provinces are not without weapons to bring an autocratic, spendthrift federal government to its senses, and perhaps that day is just before us.

In closing my speech, Mr. Speaker, it is my sincere pleasure to wish our very capable, efficient, friendly and hon. Prime Minister and Mrs. Frost, a very restful and happy summer holiday. I wish to include also Mr. Speaker, the hon. member for Perth (Mr. Edwards), and his family, and to all hon. members of this 25th Legislature. I hope we may return a deep word of thanksgiving to our good Lord and Saviour for his loving care and watchfulness over every one of us, and over our families.

MR. C. E. JANES (Lambton East): Mr. Speaker, I must apologize for rising to speak at such a late hour in the session. However, I have been trying for a week to say something on

a matter of importance to the rural areas.

First of all, I would like to congratulate you on your appointment to such a high office, and to remind you of the picture we always have in mind of the first chairman of our Parliament, away back in 1400 or 1500 A.D., in that you look well cared for and well kept.

I must congratulate the hon. Provincial Treasurer (Mr. Porter) on the fine Budget which he has introduced.

Now I wish to say something about rural telephone companies. Some 4 years ago, after the hon. Prime Minister (Mr. Frost) and his Cabinet had made a very thorough study of the rural telephone problems, they introduced legislation appointing a telephone authority, giving it a great deal of power and responsibility. I want to express thanks, on behalf of those who are now on rural telephone lines, for that action. It has been a great help to them and they look forward to further help in that respect.

In those areas, they find it difficult to get telephone service. It will be understood that it is difficult to make such telephone services pay their way, because of the great hazards. There are about 200,000 telephone subscribers on rural systems, while there are about 2 million telephones in Ontario, 90 per cent. of which are Bell. That is a very fair percentage to be controlled by one company. If it becomes any larger, it will become a monopoly, and I think we all object to monopolies.

In fairness to the Bell Company, I should say I do not think they want any larger number of telephones under their control. They are in the telephone business, and certain people have tried to develop business, but have had to get out of it, and the Bell system has taken them over, rebuilding the system, and putting it back into service.

I am convinced that the Bell Telephone Company has about all it can handle.

In Toronto, 5 years ago, there were 15,000 persons on the waiting list. The Bell Company decided they would catch up and bring the system up to date.

They put in many thousands of telephones, but there are still many more waiting for service. That is true of all centres where Bell is giving service.

We have two types of companies giving service in the rural areas—independent companies, organized under The Ontario Companies Act, and another group called “service station companies.” These are connected in most cases to Bell centrals, and run the lines out in the country.

That situation developed some 40 or 50 years ago when the Bell people had these towns, and a central in the town, and there were no telephones in the country. The country people who wanted to get services made arrangements with the Bell company to operate the central, and they built their own lines.

Many of these companies are municipal companies, and today they are in a very serious predicament. They are not in a position to borrow money and build their own central, and in many instances, the Bell company is putting in a dial services. These municipal companies which have 1,000 or 1,300 telephones have not sufficient money, and cannot borrow it, to put in a dial service, so in many cases they are throwing up their hands and letting Bell take over.

The telephone authority has a very great problem ahead of it. It has gone into eastern Ontario and organized what is called a “development corporation,” which has taken over about 15 companies. It is true that it is costing money, but it is giving those people in eastern Ontario, through those 15 companies, something the people never had before in telephone service. Those people had been living there over the years, and had only a few hours’ service each day in some areas.

The longer I live, and the more I see of things in this world, the more I am convinced that the people in our great urban areas have a very great responsibility to assist the people in the rural and outlying areas. The rural people cannot possibly have the privileges which the urban areas enjoy. If the

rural people had been able to enjoy those special privileges, there would not have been so many rural people leaving the areas, and going to the larger cities. Therefore, the people in the cities have a very definite responsibility to assist those in the outlying areas.

I do not think any of us living today will ever see the time when we do not have outlying areas in Ontario.

I think the telephone authority has done a wonderful job in eastern Ontario in developing those 15 companies. This is the responsibility of the telephone authority: first, to administer the Act; second, to study the communication needs of Ontario, both immediate and future, and to plan adequate communication facilities, to supply telephone systems, and municipalities with engineering, accounting, and legal personnel, to give advice and assistance relating to telephone problems.

I assure the House that the telephone authority is doing an exceptional job in carrying out these provisions of the Act. They are supplying engineering assistance, and giving all possible advice, and they have a very competent staff.

One great difficulty which faces them is the fact that in a rural area there may be a group of independent companies. There is possibly a key company in the centre, with the largest number of telephones, and smaller companies on each side, which cannot possibly operate. In order to do anything to assist them, the authority must try to get this group in the centre to absorb the outlying areas. The trouble is, it is very difficult to get them to do it, because they have not the money. It may interest the House to know that under the Ontario laws, there does not seem to be any place where a telephone company can borrow money.

I am the director of one of the best systems in Ontario; we now have about 1,500 telephones, we have just bought an adjoining company with 225 phones, and we have a very up-to-date system, but we do want to go on; we are putting dials into our system, and we want to borrow some money.

We went to two of our local loan companies—they wanted the business—and one of them looked at the charter, and found out they could not loan money to telephone companies. We have a local fire insurance company with a great deal of money on hand, which they wanted to loan. They came to us and said they would be glad to take out some debentures, then they looked at our charter, and found they could not loan us money. Our hands are tied. The only place from which we can borrow money is the bank, which makes it very difficult.

The problem which the authority is facing in these areas where there are 4 or 5 companies adjoining each other is this; the central company is, in many instances, selling out to the Bell. I am not criticizing the Bell for this, because in most instances, the company goes to the Bell and asks them to take over, and it is very difficult for the authority to go in there and tell them they must not sell. However, they are doing it, and talking about it and trying to get them to go on, but there is no place where they can get money, they cannot borrow money, and the authority has not had any money to use in assisting these companies.

I want to say right here that up until now, I have taken the stand that the authority must become well established and make a complete study of these systems in Ontario before it can be ready to loan these companies money. I think the time has now come when the authority should be given some money to help these companies.

It would be a good investment. I can assure hon. members there is no business in the world which can be so well controlled, and know where it is going, as the telephone business. It knows the number of subscribers, the amount of the expenses, that is, any company which has been doing business, and, if not, it can go to another company and get it, all it has to do is set the rates which will carry that expense, and that is a very simple procedure.

There is no difficulty in arranging revenue to meet expenses; we have

found, in our company, it is not at all difficult, and we have been making money every year, but not enough to go ahead and rebuild our service to the people.

I am going to make a suggestion to the House. In Quebec, they have an authority which is very much the same as ours, with much the same powers, and when the authority in Quebec takes over, it maps out the areas, tells the Bell "where it can go," and tells the private companies where they can operate, they tell the Bell what areas they may have for toll services, and where they map out an area for the independent companies, they take good care they keep all the toll services in that area, which, so far, is not the fact in Ontario. But we are asking the authority to do that.

For instance, we have toll lines belonging to the Bell, coming into our central, and they pass through about 15 miles of our area, and our contention is we should own that telephone toll line from the time it enters our area. That would mean a great deal to the independent companies, because, after all, the money in telephone service is from long-distance service, not in giving service to private phones.

Our long-distance tolls bring in a very nice revenue, and if we owned that toll line, we would have that much more income.

To give you some idea of the difficulties we are having, rural lines always must face storms, and 3 years ago, we had a sleet storm which hit our company and cost us \$15,300. We put up more lines and carried on, and it did not handicap us too much. This year, the storms struck the companies on both sides of us, and many of them are fighting to get them back into shape.

We have been looking into the question of insurance to protect us, but up to the present there is no company which would issue a policy covering storms to telephone companies. Now we have a company offering a policy of \$40,000 with a \$200 premium, with \$2,500 deductible for each storm, not for a year, but for each storm, and there

may be 3 or 4 a year, which makes it prohibitive. They have another premium at \$700, with \$1,000 deductible for each storm; so you can see the difficulties we face.

However, these storms do not seem to sit the same place too often. We had a bad storm 3 years ago, and it did not matter what the lines were like, it took them away anyway. But that was about the first in 30 years.

I am going to make a suggestion. In Quebec, they have a tax on all tolls, and that is used to assist the telephone authority to take over all the phone systems. I am suggesting that in Ontario, the government put a 10 cent tax on each telephone, and that money to be used to assist the needy lines. That would bring in some money, and nobody would miss 10 cents on a telephone.

I want to express satisfaction of the governors of the independent telephone systems on the fact that we are under a new department, The Department of Municipal Affairs. We have found the hon. Minister (Mr. Goodfellow) very co-operative and interested in our problems, and I want to express the thanks of the authority and all our independent companies to the hon. Minister for his co-operation.

MR. F. R. OLIVER (Leader of the Opposition): In rising to speak in the fleeting hours of this session of the Legislature, I want to pivot my remarks if I can, around 4 or 5 subjects, and to give the hon. Prime Minister (Mr. Frost) the opportunity for which he is anxiously waiting, to reply to the things which I will have to say about the sins of omission and commission, as committed by this government.

I want, first of all, to follow some of the other hon. members in their references to the new hon. members of this Legislature, and the parts they have taken in the deliberations of this Assembly. I want to re-echo that congratulatory remark, and to say that the new hon. members who have taken their seats for the first time in this Legislature have, in the opinion of all of us,

acquitted themselves in a very fine manner. I want to pay particular tribute to the new hon. members in the Opposition, all of whom have spoken in this debate, and all of whom have made a contribution by their remarks.

I want to give particular credit to my desk mate, who is the new hon. member for Bruce (Mr. Whicher), a young man taking his seat for the first time in this Assembly, and whether we agree with the things he says or not—and I imagine most of us do down deep—we have to concede that he has actively engaged in the debates in the Legislature, and bids fair to be a very valued hon. member of this House.

The same can and should be said for the hon. member for Waterloo North (Mr. Wintermeyer). The addition of the hon. member for Waterloo North to this Legislature is one which we all recognize as being very worthwhile. The contributions he has made, and the promise he gives of continued and expanded attention to the public affairs of this province, are very helpful to us in Opposition, and will react to the good of the province as a whole, as the years go on.

The other 3 new hon. members in the back row—and I hope I am privileged to use that expression without being shouted at by the hon. Provincial Secretary (Mr. Dunbar)—the 3 new hon. members—

HON. MR. DUNBAR: Oh, I sat in the back row. I know.

MR. OLIVER: The hon. Provincial Secretary will be back there again.

HON. MR. DUNBAR: Not while you are leading the Party.

MR. SPEAKER: Order.

MR. OLIVER: The 3 new hon. members in the back row—

HON. MR. DUNBAR: The hon. leader of the Opposition will resign again before that.

MR. OLIVER: I will attend to that matter. The hon. Provincial Secretary has plenty of worries, without taking on additional ones.

HON. MR. DUNBAR: Four resignations so far.

MR. OLIVER: I would not be surprised if there was one from Ottawa before long. I was speaking originally about the 3 hon. members in the back row, and I predict, as the sessions go on, that they will take an increasingly active part in the debates of this House. I do say, not only on behalf of our new hon. members, but those in all parts of the House, that they have made a great contribution, and that contribution will grow as the years go on in this Legislature.

I want to discuss first of all, for a very few moments, the subject of agriculture, and I am going to try very hard not to go over the ground which has been previously worked over in this Legislature during this session. I was particularly interested and almost amused last night—and it is well that at times one can be amused—by the remarks of the hon. member for Dovercourt (Mr. Kerr), who undertook to expound on the difficulties of the agricultural industry and to attach the blame for failure to remedy those conditions.

It is true, of course, that the industry of agriculture is in a depression, I think “recession” is hardly a sufficiently strong word to use in describing the economic plight which has presently settled over the industry of farming in this province, and all of us, I would think, are anxious to do what we can to apply the remedies which are within our competence and our grasp, in order to alleviate the situation which exists, and to bring the sunshine of prosperity back to the industry of agriculture.

The hon. member for Dovercourt last night said in the House that the blame, of course, belonged on Ottawa. He said we were not shipping enough agricultural products to England, and that we had in a measure lost the export markets

of the world for our agricultural products.

Well, that may be right, but that was not the point with which I was going to take issue; the point is, of course, there have been shrinking export markets available not only to Canada, but to every exporting country. When we consider England as a purchaser of Ontario and Canadian farm products, we run up against a problem, of which most of the hon. members, at least, are aware. It is not that England does not want to buy our products, it is not that we do not wish to sell to the mother country, but there is a difficulty, and it is a sizeable one, and that is the monetary difficulties which have been in evidence in respect to this problem for many years. I would say to the House that I cannot conceive, nor can I think any other hon. member of the House, that the federal government would fail to sell our products to England if an arrangement could be made to do so.

The situation in the United States is one that calls for some comment. The United States, to a greater degree than we in Canada, is not able to sell its agricultural products in the markets of the world. The point I want to make is that the United States has tried, and is still trying, I imagine, not only to sell its agricultural products, but to give them away to anybody who would take them.

That situation is one which has a bearing—and a very real bearing—on the problem affecting agriculture in this country of Canada. It is all right to say that any jurisdiction should find markets, but where are the markets? How do you find them when they are shrinking year by year? It is only by good salesmanship, and to the extent to which good salesmanship can be applied.

I still say to this House the government of Canada is exercising the prerogative it possesses, and is selling as much as it can to the other countries of the world. The fact that the federal government has jurisdiction to a great degree in this field does not relieve the provincial government in this province of all responsibility.

I am not unmindful of the fact that down through the years this government has taken particular credit to itself, for the prosperity which has existed for a number of years in the agricultural industry. Even last year, in his speech on the Budget, the hon. Prime Minister felt called upon to say that he was glad to report that even in the face of declining agricultural conditions in other parts of the country, those pertaining to Ontario were less disturbing than those which obtained in other areas in Canada.

When a government takes credit for good times, it must be prepared to assume at least a share of the responsibility when times are not so good. In this Legislature, Mr. Speaker, I would say to this House that the government's approach to the agricultural problems has been barren of ideas and completely devoid of accomplishment.

We on this side of the House have suggested to the government from time to time that it should do a number of things which, in my opinion, would help to relieve the economic pressure on the agricultural industry. We suggested there should be a Department of Marketing, having in mind that marketing is one of the critical features of the farm policy, and the farm situation generally. We have suggested the voting laws in respect to commodity marketing should be eased somewhat, so the farmers would have a better opportunity to go in on their own, with their fellows, in order to better market the products of the Ontario farms.

We have suggested a number of other things. We think one which would be helpful would be for this government at this time to put a subsidy on quality products grown on the farms.

This is an interesting subject, and I want to expand on it for a moment. There are those who say that a premium, for instance, on bacon, in this province would have a tendency to add to the difficulties through which we are passing, in that it would tend to increase production of that particular product.

I do not think that follows at all. The good which a premium on quality bacon would have, it seems to me, would be helpful in expanding the markets for bacon we have at the moment in the United States. It is rather interesting to recall that even under depressed conditions, and the prices for bacon which obtain in Canada and the United States—having in mind the prices in the United States are lower than ours—we have sold, over the last few years, huge quantities of bacon to the United States.

The reason we have been able to sell that bacon to the United States was because of quality, and it seems to me we would be rendering a great service to the farm people and the economy of this province in general, if we should encourage maintaining the quality of our agricultural products, so that even in this period, when markets are hard to find and to hold, the very high qualities of our products would have a tendency to enter into markets, where lower-quality products could not find an entrance.

These things we have suggested to the government, we think might alleviate the difficulties through which the farm people are passing, but to all our pleas in that regard, this numerically strong government has turned a deaf ear, and said, in effect, that the farmers' plight is of no concern to it, and that any suggestions we make which we think would better the situation, have fallen on deaf ears and are of no account.

Perhaps I should not say that, because this government did make a contribution to bettering the farm condition, in that it passed another Bill with respect to the warble fly, which I think was introduced by the hon. Attorney-General some time ago—

HON. MR. FROST: The hon. leader of the Opposition is thinking of a couple of years ago.

MR. OLIVER: Does not the hon. Prime Minister remember the Bill this year? It did not intend to eliminate the warble fly, but simply to take another

"swat" at it, because they can get them corralled in any particular township, which has indicated a desire to attack that fly. It is not a question of destroying them; it is a question of slowing them down.

So far as this government's agricultural work is concerned, there just has not been any, and when we leave this House tonight, and go back to our constituencies, we have the responsibility, I would say, of telling our folks back home that this government, having within itself the power and opportunity to do something, did nothing about the agricultural problems, except, as I say, to lay the blame on Ottawa.

MR. ROBSON: Well, what about it?

MR. OLIVER: I want to say a word this afternoon about Ottawa. It is rather an interesting experience to watch the planned attack on the federal administration, and to say that on housing—not on housing; I did not mean that—on hospitalization, it has been most ungenerous. The tax agreement, about which the hon. Prime Minister has spoken frequently, he says is not worth sitting around a table and negotiating; it is just no good at all.

Upon every subject which comes up, there is a concerted effort on the part, not only of the hon. Prime Minister but other hon. members on the government side, to direct criticism at the federal government. I want to say that it almost seems to add up to this, that the position of "political neutrality" which the hon. members have practiced for a number of years is wearing out, and in its place has come open political warfare, so far as the federal administration is concerned.

One would gather from the remarks themselves—and the tenor of the remarks—that this is not just scattered criticism coming from here and there, but is a concerted attack, and a well-planned strategy on the part of the administration, to say that if it is criticized at any time, the thing for it to do is not to accept that criticism and do something about remedying the things for

which it is being criticized, but rather put all the blame on Ottawa.

I suggest to this House that the government has some responsibilities in this province, and it might be well if we tried to concentrate our efforts on looking after our own house and keeping it in as good order as possible.

I have spoken about agriculture and I want to say just a word in passing—in order to set the calendar up the way I want it to be set up at the moment—about labour, and about the vote which was cast in this House yesterday.

I do not think there is an hon. member in this House but has a feeling of concern for our labour forces in Ontario. Deep down, I think we all have a real and lively concern for the labour forces. All of us want, in our own way, to better the conditions under which they work. I recall the hon. Prime Minister saying yesterday that he was "one of the stalwart sons away back in the early time in the history of this province," and he said he stood almost alone in urging the introduction of a collective-bargaining Bill into this Legislature.

HON. MR. FROST: It was not so long ago, but at least we voted for it, and the hon. leader of the Opposition did not.

MR. OLIVER: Mr. Speaker, the hon. Prime Minister is wrong on so many things, and he is so deadly wrong on that, because if he looks up the record, he will find we did vote for the bargaining Bill.

May I say to him, some time when he has a little time on his hands, he should correct his memory in that regard. So far as our political history is concerned, we started actively at about the same time. But the hon. Prime Minister has no right nor reason to say that I voted differently from him on that occasion. I have spoken many times in this House in an opposite direction but I thought he was right that time, and, quite frankly, I have not felt he has been right since. That may be an error on my part, but it so happens, that is my feeling, and I give expression to it.

In the House yesterday afternoon the government voted solidly against our proposal. Whether the hon. members believed in what they were voting for or not, I will not argue at the moment, but they voted and said, in effect, that in their judgment the labour committee of this Legislature should not be called.

I want to say that, in that respect, the government shrank away from the idea of calling the labour committee as if it was the plague. They voted against any suggestion that the committee should be convened and that references should be made before it in relation to The Labour Relations Act in this province.

I want to put myself firmly on record, Mr. Speaker, by saying that I believe the labour committee, and every standing committee of the House, is an integral and important instrument of government, and each one of these committees should be used for the purposes for which they are created, and there is no excuse that I can see why the labour committee was not called, except the fear which resides in the hearts of the government leaders of what might be said before that committee.

The hon. member for Waterloo North (Mr. Wintermeyer), and the hon. member for Essex North (Mr. Reaume), and others, have made suggestions regarding improvements in the labour-relations machinery in this province. It might have been, that before the committee, other suggestions, equally good and equally pertinent, would have been made, and I believe the government lost a great opportunity to afford good government to this province by just saying, in an emphatic voice, that it would not call the labour committee together.

Next year, I hope we will have learned our lesson, and the committee will be called, and an opportunity will be afforded to all people concerned to appear before it and be heard. Out of that, I am sure, will come something which is good, not only for the labour force of the province, but for the public generally.

I say, in regard to point No. 2, that certainly the government is to be strongly criticized for its failure to use the democratic arm of government, namely, the labour committee of this Legislature.

Mr. Speaker, I want to say a word in passing about old age pensions. Of course, in the minds of some of the hon. members, that gets back to Ottawa again. I want to point out, Mr. Speaker, that I doubt if there is a blacker chapter in the political history of this province at the moment than the failure of this government to do its obvious duty in voting supplementary allowances for old age pensioners.

I say that definitely to the House this afternoon, and it is more startling, Mr. Speaker, when one realizes going through the Estimates, to find that in the old age pensions provided, this government is actually saving money in this province. They are actually paying \$500 000 less for old age pensioners this year than they did last. If it is money they are thinking of, surely they could have used that \$500,000 to have brought comfort and a measure of security to many of our older people in this province.

The hon. Prime Minister suggests that if Ottawa would raise the pension, we will "go along" with them. Of course, this government is not paying anything in the first place to people over 70, and that should not cause them much anxiety or concern. They pay 50 per cent. towards the pensions of the people between 65 and 69 years of age.

The federal government pays 75 per cent. of the blind pensions. They have come in and taken 50 per cent. of the financial load of those who draw disability pensions in this province, and I would suggest, in all sincerity, when one looks at the picture with candour, and with a desire to be fair, one, I would think, would agree that the federal government in the field of social legislation, has done a great job for the people of Canada, and for the people of this province.

There is no reason, save you do not want to do it. There is no other reason why this government should not add a supplementary amount to old age pensions. The hon. Prime Minister says it is hard to administer. Of course, there may be difficulties attached to the administration, but they are not insurmountable. It is not a wall which the hon. Prime Minister cannot get over. It is not a problem which cannot be dealt with. If the hon. Prime Minister's heart was really in the job of supplying a supplementary pension to the old people of this province, the difficulties of administration would become very small indeed. They are small in comparison to the problem, and in comparison to the need which exists for this pension in Ontario.

I want to deal for a few moments with two other matters which have been discussed at some length. One is the tax agreement. In the course of the next few months, this government will have to decide what it is going to do in respect to these tax rental agreements.

If the utterances of the hon. Prime Minister thus far are to be taken as a real indication of the course to be pursued, I would conclude, as I think all hon. members would, that the hon. Prime Minister has no intention of concluding a tax rental agreement with the federal administration. He has said he should have and must have, \$100 million more. Well now, if he wanted \$10 million or \$12 million more, I would think he would be in a position to negotiate, but how can one negotiate—

HON. MR. FROST: The hon. leader of the Opposition is too prone to do business.

MR. OLIVER: —when the hon. Prime Minister insists that the least he will accept is \$100 million more.

Then he goes so far as to reiterate to this House this afternoon that if the federal government does not come across with the amount of money he feels is the right of this province, then we stand, in his words, on the brink of economic ruin within 5 years.

I suggest to the hon. Prime Minister and to the House that a little candour and a little sounder judgment should be used in respect to this situation. In the last year of the old agreements, this government is being paid \$151 million or approximately. The new agreement which the hon. Prime Minister says is almost untouchable would involve in the first year, a payment to the province in the neighbourhood of \$220 million. I suggest to this House in all sincerity that an increase of \$70 million in one year's payment by the federal government to the province is not "peanuts." It is not to be cast aside as a mere nothing, a mere bagatelle.

HON. MR. FROST: They do not pay us anything.

MR. OLIVER: That is an old argument. It is threadbare, and I am surprised it was used, because it is not applicable to the situation.

HON. MR. FROST: They do not give us a cent.

MR. OLIVER: The hon. Prime Minister is just "fanning the air" when he talks like that. It does not matter what term is used, it is an offer from the federal government to rent the fields for a certain sum of money.

HON. MR. FROST: It is just the same as if the hon. leader of the Opposition rented his house to someone and they said, "We will give you back the back bedroom, and will keep the rest."

MR. OLIVER: I would say to the hon. Prime Minister that the best that can be said of his interjection was it was an inflamed comment. It really was. It was about as close to touching the problem as he has come in a long time, and that comment was many miles off the subject. I made the remark in respect to the tax agreement, he has said the fields are our fields.

HON. MR. FROST: Yes.

MR. OLIVER: He knows quite well, I am sure, that it would be flying

in the face of the terms and conditions of The British North America Act to say that the federal government under the terms of that Act has not a right in those fields in this province.

HON. MR. FROST: We have an equal right with them.

MR. OLIVER: That is getting a little better. The hon. Prime Minister said a few moments ago they were our fields. The best which can be said is that it is a partnership.

MR. MACAULAY: No.

MR. OLIVER: The hon. member ought to listen to the hon. Prime Minister, because he has agreed.

MR. MACAULAY: I can read the Constitution.

MR. SPEAKER: Order.

MR. OLIVER: If the hon. member can read the Constitution, he better give it to the hon. Prime Minister to read, because he has interpreted it from a different angle than the hon. member. If the hon. member gave it more than a casual reading, he would see the interpretation is, I suggest, that the federal government has a right in these fields.

The hon. Prime Minister can argue that we also have a right in them. That is his privilege, and his right, but there is no use going around and saying they are stealing fields which belong to us. They belong only in part to us, and I would suggest they belong in greater measure to the federal government, if it cares to exercise the authority which they have, by virtue of The British North America Act.

MR. MACAULAY: Let it speak for itself. The hon. leader of the Opposition should speak for the people of Ontario.

MR. OLIVER: The hon. member should speak for the people in Riverdale. That will keep him busy.

I want to say further to the hon. Prime Minister that I suggest a \$70

million increase in one year is a substantial one. Last year, he said he would have a surplus of a few hundred thousand dollars. He said the same thing this year. He will probably end up with a surplus of \$30 million or \$40 million, and if he receives \$70 million from the federal field, he will have a sizeable amount of money to carry on the operations of this province—\$100 million. That is the \$100 million about which he was talking, I assume.

Looking at it from this angle, I assume—

MR. MACAULAY: That was easy.

MR. OLIVER: We arrived at that pretty quickly, did we not?

I am sure we are all concerned about taxes, whether paid federally or provincially. Taxes are taxes, whether they emanate from the federal or provincial government. If the payment of this amount of money which the hon. Prime Minister claims is due to this province would raise federal taxes, as it undoubtedly would—because they are running closer to the line so far as Budget balancing is concerned than we are in this province—then an additional weight on the federal Budget would unquestionably raise federal taxes which would have to be paid by the people of this province, as well as in other parts of Canada.

I would say to the hon. Prime Minister that I think he had better get down "off his high horse" in regard to these tax agreements. I think he had better get down to the place where he can try to negotiate a sensible figure as related to the one which has been offered by the federal government at the present time. I feel the people of Ontario would be satisfied that he is doing a good job on the one hand, and that the federal government was being considerate of the needs of this province of Ontario, on the other.

There is not much use "blowing off" on this question, and saying things which maybe a day or so afterwards, the hon. Prime Minister would wish he had not said. I would say to him I think

it is better that he, with reasoned judgment, should get down to a basis of negotiation with the federal government, and give to the people of this province the opportunity of taking this additional money from the federal government, with which to provide the services to the people of this province.

I want to say just a word about this famous hospital insurance. I think the hon. Prime Minister is ready to reply to this, and I hope he is, because if there is anything which needs more light thrown upon it than anything else in this province, it is hospital insurance. It started in the Speech from the Throne, so far as this Legislature is concerned, when we were told that the whole matter would be referred to the committee on health of this Legislature.

I am not going to argue this at length, except to say that I believe in hospital insurance. I believe in a national plan entered into between the provinces and the federal government and I believe also that in the offer made by the federal government whereby they would assume some 48 per cent. of the hospital costs of this province, it has made a generous offer to this province, and one which the hon. Prime Minister should move to accept with a great deal more speed than he has exhibited so far.

When one says the issue is beclouded and also—and if nobody else wants to say it, I will say that it is beclouded—and that it has been camouflaged and misrepresented right from the time it was born in this Legislature, it has been misrepresented and camouflaged by the government itself. Whether it did that to serve its own political purposes or not, I do not know, but that has been done just the same.

The hon. Prime Minister, in a major speech, started off by saying, "Now, my good people, this is what it will cost you to take the federal plan," and he mentioned a figure which would stagger Rockefeller himself. He suggested, by inference at least, that this was to be the cost of entering into the hospital plan in co-operation with the federal government.

On examination of this first release by the hon. Prime Minister, we find that his figure included not only the cost of the hospitals themselves but the administration costs attendant thereon. It also contained the depreciation costs and it also contained the costs of mental institutions in this province, and it also contained the costs allied with tubercular treatment in Ontario.

HON. MR. FROST: I suppose the hon. leader of the Opposition argues that somebody suffering from tuberculosis or mental illness is not sick.

MR. OLIVER: Mr. Speaker, that is just about as foolish as the rest of the hon. Prime Minister's comments this afternoon. That is not the question at all, and he knows it. But when you leave the inference before the people of this province that in order to get the benefits offered to them by the federal plan, the people of Ontario are going to have to spend that money, I say it is a false and erroneous impression. The hon. Prime Minister has tried to do that, and I imagine rather successfully, within the last few years.

The mental institutions and the tuberculosis institutions were not included in the federal offer. I do not know whether they should have been or not, I am not arguing that point. But what they have offered to the province of Ontario is a hospitalization plan with certain diagnostic services attached. That is all we are dealing with. That is what the offer amounts to. To say that we should include the costs of mental institutions and tuberculosis institutions is just begging the issue and I would say that it is purposely delaying the day when we will have hospital insurance in this province.

Arguing it from another point of view for a moment, I am not so sure but that the federal government was wise in offering, first of all, a partial or a limited plan. In this case they offered to help in hospitalization services and diagnostic care. That would constitute a sizeable first step towards a broad coverage for health insurance in this province, and

in this country. I think perhaps it is just as well to take this step by step because it is, as the hon. Prime Minister suggested, a gigantic problem, with great costs involved.

But once we have the basic plan in operation throughout Canada, with the participation of the majority of the provinces, it will not be difficult, I suggest, to incorporate into that plan other services from time to time. But for heaven's sake, when we are discussing this question, let us keep it straight and to the core of the problem. We are discussing hospital insurance and certain diagnostic care.

One more point in this connection, Mr. Speaker. The hon. Prime Minister suggests that we should include costs of administration and depreciation.

HON. MR. FROST: Who is going to pay them?

MR. OLIVER: On that score, I just want to say that in the case of the social welfare legislation, old age pensions and the like, the administration costs attendant thereon are paid by the province of Ontario.

HON. MR. FROST: Well, who pays them?

MR. OLIVER: Well, I know. The people of Ontario pay them.

HON. MR. FROST: Of course they do; that is the point.

MR. OLIVER: But I suggest the hon. Prime Minister is flying in the face of precedents which have been established in connection with these matters, when he says administration costs should be included. I am not arguing they should not be included at the moment, but I am saying there are precedents galore where they are not included, and where the local people—in this case at the provincial level—are required and obligated to pay the costs of administration.

In respect to this whole problem, I believe we should have had a Bill in

the House this year to work in conjunction with the federal government, bringing in hospital insurance for the people of this province. I am not at all sure when it will come. I do not think it will be around for a few years yet, if the hon. Prime Minister carries on the campaign in which he is presently engaged in regard to hospital insurance.

He spoke, for instance, the other day in committee about getting an army of bailiffs out to collect the premiums. That suggestion is a bit silly, surely. I think I would have to come face to face with that problem, and believe that no other course could be adopted, before I would say it would require "an army of bailiffs" to collect the premiums.

MR. MacDONALD: The hon. Prime Minister is a scaremonger.

MR. OLIVER: In other words, as the hon. member for York South says, the hon. Prime Minister is engaged in a sort of "scare campaign", to frighten people away from hospital insurance.

MR. MacDONALD: At least until the next election.

MR. OLIVER: And he is doing it, by bringing in irrelevant matters, which do not pertain to the subject in question, and building it up to a huge pyramid, and saying: "This is hospital insurance, do you want it?" I suggest to the House that is begging the issue, and is not doing justice either to the hon. Prime Minister himself nor to the great cause of hospital insurance.

May I say, as I resume my seat, that when the amendment is voted on this afternoon, I hope I shall have persuaded hon. government members to join with us in voting no confidence in this administration, because to leave them longer in office would only give them a further chance to make greater mistakes, and since it is a job that is going to be done some time, they might as well do it now and have it over with.

HON. MR. FROST: Mr. Speaker, I must say I feel very much better, having heard the speech by the hon.

leader of the Opposition. I feel more sure of our position than ever before.

However, before I deal with that problem, may I say, first of all, that I would like to be associated with my old friend, the hon. member for Peel (Mr. Kennedy), who I hope will be here later this afternoon, in his very kind references to my good friend, the hon. member for Brant (Mr. Nixon). May I say, we probably would have been sitting beyond April 1, but for the fact that he continually pleaded the cause of the farmer members, and suggested the sessions should be held earlier. That we are not going to be sitting here beyond April 1 is due to the fact that he addressed his representations to a progressive government, which is always open to suggestions for reform.

I agree with the very fine remarks of the hon. member for Peel, who is a great senior citizen himself, one of the great personalities of Ontario. Ontario would not be the same without "Tom" Kennedy.

I congratulate, as I always feel like doing, the hon. member for Brant on his long service, his long association with this House, and with public life. I have always had a feeling in my heart that I would like to see him appointed a senator, because then I know I could win his present seat. I hope that that may be the case some time, for certainly he would make a very worthy representative of our province.

I was also quite moved when taken back many years, by the reference of the hon. member for Peel to the great battles of 1918. If he were here this afternoon, I would tell him those events took place in 1918, at the time of the great German attack on our front. Some hon. members in this Chamber were present at that time.

I was reminded of that event, which is now getting to be well in the past—38 years ago in fact—by the hon. member for Parkdale (Mr. Stewart), and also by yourself, Mr. Speaker, introducing to the House the former chaplain of the Twentieth Canadian Regiment, now associated with the Queen's York

Rangers, of which the hon. member for Parkdale is the honorary colonel. He was our chaplain.

I very well remember the occasion on Easter Sunday when he visited me, when I, with thousands of other wounded, was lying in the courtyard at Denain, because there were no hospital beds, in fact, no hospital accommodation. So may I point out to my hon. friends opposite that I know something about that subject.

I was reminded by his visit, and by what Colonel Kennedy said with reference to the incidents of those days, 38 years ago, and I know that all of us who are here who were associated with those days are grateful indeed that we were spared to be of some small further service to our country.

This is perhaps an unusual situation for me, Mr. Speaker. For many years, I addressed this House from the other side, being associated on most occasions with a very dear friend, the father of the present hon. member for Riverdale, hon. Leopold Macaulay, as Budget critics in those days, and I am very delighted indeed that the hon. member for Waterloo North (Mr. Wintermeyer) has read some of the speeches which I made on those occasions. I can assure him that we have carried out what we promised in those days, and today we find our great old province reaching forward in the van of progress.

When I left the other side, I came over here, and after that had the opportunity of presenting 12 consecutive Budgets, which I think perhaps is a record. I hope the present hon. Provincial Treasurer (Mr. Porter) will exceed that number, but in any event, it will take another 12 years for him to break the record. It must stand for 12 years, and therefore I am going to be the "champ" for that length of time, anyway.

However, I never had the opportunity, sir, of taking the position in the House of "winding up the debate" on any occasion I can recall. Although the Provincial Treasurer sometimes has that opportunity in a limited way, I never

had the privilege of summing up the debate, and therefore, sir, this is a new experience for me.

May I take this opportunity, after 12 long years, of thanking those with whom I was associated during those days. First of all, may I thank my good friend, Dr. Chester Walters. Dr. Walters is an old servant of this province, and of the public, who received his early education in public life as mayor of the great ambitious city of Hamilton. In the days when I was in opposition I had the opportunity, as one of the financial critics, of examining Chester Walters on some of the reports of those days.

I did that, may I inform the hon. member for Riverdale, with his father. As a matter of fact, we sat down in the Albany Club one night and plotted our cross-examination of that great witness, and I can assure you, sir, that we were highly unsuccessful, because we "got nowhere."

A great man, a great Canadian, a great personality, and I would say, sir, after all these years of association, a great friend for whom I have the utmost affection, and to whom I am very glad this afternoon to be able to pay tribute. He is in Hamilton this afternoon at the funeral of a former hon. member who sat on the opposite side of this House, John Newlands, with whom I formed a great friendship in those days, and I extend our sympathy to his family on behalf of all of us, and particularly the older hon. members of this House.

I should like also at this time to express gratitude to those with whom I have been associated. I hesitate to mention names, but I cannot let this occasion pass without referring to the excellent and efficient services of Harvey Cotnam, the provincial auditor; Hugh Brown, who has now been elevated to the position of Deputy Treasurer; Phillip Clark, comptroller of revenue, with whom I had business dealings years ago before I became a member of this House; Malcolm MacIntyre, the Cabinet secretary, able and energetic, and typical of the best in the civil service; Harold

Walker, a fine young fellow who is now comptroller of finance in Ontario; and then those who have been so closely associated with me in the Treasury, such as Mrs. Gregory, for a dozen years my private secretary in that department; Miss Bates, associated with me for very many years, indeed before I became a member of the government, and then, if hon. members read *Gas Jet*, 1956, Mrs. Murphy.

I must not miss the "ace" of them all; I do not see him here this afternoon—perhaps I should not say the "ace" of them all—that very able young Canadian, George Gathercole, and his associates. There are many others to whom I would like to refer; with gratitude and a great deal of affection for their kindness, their services and their friendship over so many years.

Now may I say, sir, that I am glad, with the hon. leader of the Opposition, to see evidences, even if slight, of some intelligent understanding of the problems of Ontario on the part of the Opposition. I address my words to those young men opposite, the new hon. members, whom he has mentioned, and may I also add my wishes and my prayers for the older ones, whom I have endeavoured to educate over these many years.

I am very glad to have had these discussions—and I think very worthwhile discussions. I was particularly interested in the Budget address and criticisms by the hon. member for Waterloo North (Mr. Wintermeyer), which I thought—and I so tell him now—was a very worthy effort indeed. In my opinion, he has brought new light to the Opposition, and I wish him well in bringing further enlightenment to them, because he appears to have been successful where I have failed, although I have used all of my poor abilities and poor eloquence to endeavour to bring the light of understanding to them.

A word now about the great newspaper, the *Toronto Star*, to which I refer not with any animosity at all, but indeed, with great generosity and kindly feelings in my heart today. As a matter of fact, many times it is sound and right,

but at other times, particularly in relation to policies which I have advanced, I think it has been wrong. It has talked for years about "buried surpluses", "over taxation", "fiscal affluence" and the wealth of all parts of this province. Then it has constantly remarked about our province being a "great, wealthy province", "rolling in wealth", thereby leading the people of Canada and of this province to underestimate the problems with which we in Ontario are faced.

Mr. Speaker, we are met by elements in the Opposition who now speak about "debt" and the "increase of debt", and so now they are beginning to focus the attention of people on the fact that we have problems here in Ontario. They now point out to the people that those problems are so great that they amount to this, as the hon. member for Waterloo North mentioned; that they now advise us to increase taxes.

I believe the hon. member for Waterloo North addressed the Liberal Club the other day, and there said that he advises us to use our taxing power, meaning, of course, to increase our taxes. He says:

Premier Frost should exercise his taxing power, and should endeavour to solve the growing financial crisis of Ontario.

I am pleased also to notice that the *Toronto Star*, instead of having their editorials and cartoons showing Ontario as a great, opulent, wealthy province, and a great, opulent, wealthy government, now shows us as a province with increasing debt. The influence of these hon. members is bringing enlightenment not only to their own ranks, but elsewhere.

On the other hand, I pointed out to the hon. members opposite that they are mixed up in these two lines of thought. Last night, I came into this House and listened to the hon. member for Bruce (Mr. Whicher) delivering an address to this House, during the first 15 minutes of which he urged the government to spend more money, and to hand out

more money to people and make further payments; and then spent the last 15 minutes "tearing his hair" over the fact that the debt of the province was increasing.

I point out to him that with experience, he will begin to see the wise policy and the wise position taken by this government, and he will find it is wise not to talk in superlatives, but to tell the people of this great province the actual facts of a situation.

I ask the young members opposite to remember what my old friend "Mitch" Hepburn once said in this House:

A good dog can become a bad dog if he runs with a bad pack.

I say to them, do not allow those with influence to affect your good judgment.

The hon. member comes here with fresh judgment and fresh views, and I urge him to follow them. And I ask the young men—perhaps it is too late in some ways to ask older hon. members opposite—to remember what their job is, and that they are elected to stand up for the interests of their own province.

Never mind the influence of other jurisdictions. There are people elected to look after those interests, and I find that they seem to do it fairly well, sometimes at the expense of their own province. I say here that we should all stand up for Ontario.

I referred a moment ago to their former leader, Mr. Hepburn, for whom I had, and still think of with, a great deal of regard. There are many things about Mr. Hepburn—or "Mitch" Hepburn, as we called him—with which I disagreed, but I never knew "Mitch" Hepburn to fail to stand up for his province, and the people appreciated that, and I ask these young men who are new hon. members here to remember that.

Concerning the position of my old friend, the hon. leader of the Opposition (Mr. Oliver); his attitude disappoints me, the position he takes disappoints me. After all, he should know better. These younger men coming into this Assembly, of course, are timid in

making their way, but the hon. leader of the Opposition should know better, because he has taken his position in this House himself of his own free choice, and his own free will.

I remember him very well from many years ago. He was elected in Grey South as a protégé of that very great Canadian woman, Miss Agnes Macphail. He came to this House as a United Farmers member, and I may say, sir, that when he was elected as a member of that Party, he stood up for the rights of the farmers of Ontario, and put their rights before those of the federal government.

But here today he defends another government, he defends the federal government, and puts the rights of the farmers, whom he used to represent as a United Farmer member, second, in that order.

I remember when the hon. leader of the Opposition sat here as an independent—or allegedly an independent. He used to sit over there, with a little different coloured seat than the rest of the hon. members. In those days, the House plan was multi-coloured. In those days, he used to exhibit some independence. He was not an appendage to a Party at Ottawa. He should not owe any allegiance to a Party at Ottawa. I do not, and my colleagues do not, but rather, Mr. Speaker, we stand for our ridings, and for our province.

MR. MacDONALD: The pipe lines certainly do not owe any allegiance.

HON. MR. FROST: Oh, the pipe line business? The hon. member for York South had better look at his own position, which finally was identical with mine; and he was right for once.

MR. MacDONALD: The hon. Prime Minister is right when he is in my position.

HON. MR. FROST: The hon. member for York South had better keep out of this, or he can get into trouble.

MR. MacDONALD: Maybe the hon. Prime Minister will.

MR. SPEAKER: Order.

HON. MR. FROST: Mr. Speaker, may I say I am very fond of history, as hon. members of the House know, and in particular what seem to be, perhaps, obscure incidents. For instance, I was very much interested in reading the Owen Sound *Sun-Times* of years ago, when the hon. leader of the Opposition was then a private member, sitting under the banner of the United Farmers of Ontario. I can assure you, sir, that his speeches in those days, when he was opposing the interests of the Liberal Party, sounded a very great deal different than the attitude he adopts today in this House, when he comes here this afternoon and devotes, I suppose, the greater part of his time in addressing this House, to a defence of the government of another jurisdiction in Canada.

When he was a member of the United Farmers of Ontario Party, and was elected in this House, he stood up for the agricultural interests of this province, indeed he stood up for the interests of Ontario. It is a very dismal difference to see the position taken by him today, where he is prepared to place the interest of our great land in Ontario in subservience, because of Party loyalty, and the fact that he is an appendage, because, as a matter of fact, he has become more or less of a servant of these people in another place.

MR. OLIVER: The hon. Prime Minister is drawing on his imagination now.

HON. MR. FROST: I have given the Opposition good advice on various occasions. I am quite glad that in this year 1956 they did not take it, and I will tell them this, they will never get into power in Ontario if they continue to serve the interests of others, and do not look after the business for which they were elected.

I want now, Mr. Speaker, to refer further to the hon. leader of the Opposition. I was very much interested in his

address this afternoon. There were many parts of it, and many words in it, which bear resemblance to other addresses which he has made. He referred to the "blackest chapter." I forget at the moment what particular reference that was to, whether it was to agriculture or to old age pensions.

MR. OLIVER: That, Mr. Speaker, was in reference to old age pensions.

HON. MR. FROST: All right. The "blackest chapter," "things are most startling when you look at them"; "phenomenal"; "this misrepresentation woven into the warp and woof of the department"; "camouflage," and words of a similar nature.

I have been interested in what the hon. leader of the Opposition said over the years, because he is a public figure of note, and the leader of the Opposition. Just a year ago—at this time, as a matter of fact—he made this statement at Woodstock—and I ask the hon. members to remember the words he used this afternoon, "the blackest chapter," "those startling things," "misrepresentation" and "camouflage"—and at Woodstock, he used this horrifying metaphor which apparently did not horrify the people of Oxford so much, but did the people of Ontario, when he referred to this government as a "rotten, moth-eaten sinking ship of state, which has arrayed itself in opposition to the people's interests."

I would say to the hon. leader of the Opposition that the statements he makes and the words he used must be taken in relation to his position. When I read it over—and I read it several times—I was as horrified as were the people of this province. I never have heard of a "moth-eaten ship." I have heard of "termites", and I would suggest to the hon. leader of the Opposition to consult the hon. member for Woodbine (Mr. Fishleigh), and get himself straight on that particular matter.

I never heard of a "ship of state arraying itself against the interests of the people." Surely, the ship of state is the people. How can the people array

themselves against themselves? However, that is the type of unreasoned and unfactual oratory which has reached the stage where it makes not too much impression here, nor in the country.

I would say to the hon. leader of the Opposition that he has come here, with a band of hon. members elected to support him, some very fine looking men for whom I have hope. I have not written them off by any means, and I ask the hon. members opposite to look over to this side of the House in view of that terrific statement about the "rotten, moth-eaten sinking ship, which has arrayed itself in opposition to the interests of the people." I also ask those of you who have had experience in some of the vast undertakings of government to look to this side of the House, and I am sure you will see that the good ship "Ontario" is a great ship; it is not infected either with termites nor moths, nor anything of that sort; it is a sound and a supremely good ship, and I can assure the hon. members that the crew of that ship always keeps its powder dry.

In contrast to the very horrifying metaphor the hon. leader of the Opposition used, I almost feel like reading to him those great lines I formerly read when I went to school—and I might say to the hon. Minister of Education (Mr. Dunlop), that it would be well to bring back the third and fourth *Readers*.

The hon. members will recall, I am sure, "Ye Mariners of England," and the crew referred to there was not unlike the crew of the good ship *Ontario*, full of confidence, undismayed by unprecedented challenges, not afraid of uncharted courses such as we have to face in these days, a crew which was ready to meet any storm.

I would say to the hon. leader of the Opposition—and I say this to him particularly—that this ship has a good compass and has a crew which knows where it is going.

MR. OLIVER: Then why does not the hon. Prime Minister tell us?

MR. MacDONALD: Where is the hon. Prime Minister going on health?

MR. SPEAKER: Order.

HON. MR. FROST: I will tell the hon. members some things which will be very good for their health, politically and otherwise, and will send them home in a brighter state of mind for the Easter season.

Mr. Speaker, I have referred to this distorted metaphor, this intemperate statement—I do not like to refer to the statements by the hon. leader of the Opposition as “intemperate”, but I think the hon. members around him will say the statements he made were intemperate; perhaps that is the best way to put it.

The hon. leader of the Opposition has brought forward certain issues this afternoon. He has mentioned the farm issue, with which I will deal later on this year, and will not refer to it now, because I have referred to it on many occasions. He has referred to our credit and fiscal conditions which are, as he says, “startling” and “fundamental”, but which are very necessary for the progress of this province.

Allow me to take the hon. leader of the Opposition back to just 11 months ago, and see what some of the “startling issues” were, and what has happened to them in the intervening 11 months.

First of all, on April 25, he attended a meeting at the Royal York Hotel, at which were a great gathering of the faithful in his Party, and he anticipated there was an election coming—although at that time I had not made up my mind, but he seemed to figure there was going to be an election—and he stated what some of the planks in his election platform were going to be.

It is reported in the *Toronto Star*, which certainly is not unfriendly to the hon. leader of the Opposition, that he intended to make Hydro one of the chief issues of the forthcoming election campaign, that hundreds of millions of dollars had been wasted in conversion operations. That is what the hon. leader of the Opposition said. That was 11 months ago.

Yet in this gathering of the people's representatives, we have never heard that issue mentioned. The hon. leader of the Opposition has had full opportunity to discuss this matter with Dr. Hearn, the chairman of the hydro commission. But even with those “hundreds of millions of dollars wasted,” the hon. leader of the Opposition did not consider it necessary nor desirable to say one single, solitary word to the chairman of The Hydro Electric Power Commission.

HON. MR. WARRENDER: The hon. leader of the Opposition was not at the meeting.

HON. MR. FROST: That statement last April was pure nonsense, and the hon. leader of the Opposition knew it was nonsense when he made it. I ask the hon. members of this House to evaluate what he has said this afternoon in the same light.

On June 3—about 10 months ago—he said at Ottawa, in the presence of his great mentor who introduced him, whom he now humbly serves, and of whom he is a valiant defender, “The Comstock conversion contract stinks in the nostrils of anyone who wants to see fair play.”

This contract, which the hon. leader of the Opposition alleges smelled so badly in the nostrils of the people, apparently lost its aroma, because between June 2 and this session, the hon. leader of the Opposition has forgotten all about it. He did not bother to ask Dr. Hearn, nor any of the Hydro executives who were available, for an explanation.

So I ask the hon. members, in the light of these statements about “blackest chapter” and “the startling facts,” to remember that the facts which were startling 9 or 10 months ago have ceased to be startling in this province.

In the riding of Welland, which remains represented by the hon. member across the Chamber (Mr. Morningstar), he said, “We will look into the Comstock contract—” and just listen to this:

We have a monster in this country which will rise up and strike us.

I do not like to introduce levity into this very serious matter, but this "monster" which was going to "rise up and strike us" in Welland, which was going to perform in such a monstrous way at that time, I think no longer exists, and I suggest to the hon. leader of the Opposition that he had the opportunity of examining Dr. Hearn, within two or three months after the "monster" had made its appearance.

In Welland he was like St. George and the Dragon; he was going after this "monster" which was going to "rise up and strike him." Mr. Speaker, that "monster" apparently has disappeared into the oratorical archives of the hon. leader of the Opposition.

HON. MR. PORTER: The moths may have eaten it.

HON. MR. FROST: That may be. The moths or the termites may have eaten it. Not a word was said by the hon. leader of the Opposition, or any of his group who were there, and who spoke to the Hydro executives, and to Dr. Hearn.

That is a general summing up of the position of the hon. leader of the Opposition. I say to the hon. members opposite that they will have to weigh these things and consider them. Perhaps it might be a good thing to take advice from the "old man" and get down to some facts when dealing with these problems. I have given that advice to the hon. members on other occasions, but my advice has been disregarded.

Mr. Speaker, I would like to say something, very briefly, about two matters which were raised this afternoon. One is the federal-provincial matter, which I will not labour at this time, because I have discussed it on a number of occasions, and there will be further opportunity in this House in the coming months to discuss it again.

I am very glad to have the assessment of the hon. leader of the Opposition on what I will do, and what the government will do, and in due course, he will have the opportunity of compar-

ing that assessment with what has actually occurred.

However, there is a point to which I would like to refer seriously in relation to that. The hon. leader of the Opposition said if it were a matter of \$10 million or \$12 million, instead of \$100 million, we might have some chance of success. I never deal with Ontario's affairs nor its problems in a small way, nor in short perspective, but I try to look at these problems as they are.

I address this remark to the hon. member for Waterloo North (Mr. Wintermeyer), whom I thought made some very good comments in relation to the Budget, and I hope that sitting on the other side of the Chamber, the company he keeps, and the associations he has made, will not in any way warp his judgment.

May I give a few basic facts? I would say it is generally desirable—and this is true historically—that corporation and personal income tax rates, as between Quebec and Ontario, should be generally the same. It is true there are variations, and there will be, but it is desirable they be much the same from an economic standpoint, because we are two great provinces doing business together.

There are interchanges of industrial personnel; I often speak to the railroaders and others. I do not want the hon. member for Perth (Mr. Edwards) to think that Palmerston is the only railroad town in Ontario. The ones to whom I have spoken operate in and out of Montreal. At times, the problem of the income tax arises, where it varies in different places, but it is desirable, generally speaking, they should be approximately at the same level.

If the rates of taxation in Ontario are, roughly, at the same level, they still can be over the national average without doing harm to the national economy. We had that experience from 1947 to 1952, when our corporation tax rates in both provinces were somewhat over the national level, on an average of about 3.5 per cent.

As a matter of fact, when these taxes were imposed, I was Treasurer of Ontario, and they provoked very little comment, and when we entered into an agreement with Ottawa to reduce these rates, I was very much surprised—as were my colleagues—at the very little comment the reductions provoked. Ontario and Quebec have performed great services for industry, and the fact there is perhaps a small tax above the national level does not do any harm, and it is just.

In 1952, both the provinces needed money. As far as Ontario is concerned, I would say that 5 per cent. of the personal income tax amounted to some \$25 million or \$30 million, and the province decided it was not profitable to collect that by way of direct collections, and, therefore, unless we could make an arrangement with the federal government—which we did in the best way we could—it was necessary to enter into some form of agreement, as we could not forego the \$25 million or \$30 million.

As a result, we entered, with great reluctance, into an agreement. I will not re-state what I have already said, that we would hesitate to go into an agreement which basically we do not like.

Quebec also needed money, and it went into the personal income tax field on a 15 per cent. basis, which placed its rate 15 per cent. above the national average, which, of course, created chaos in the country, and a new formula was devised, with which this House is familiar, and the new formula is basically very, very much better.

As a matter of fact, the new formula is such that if there is an intelligent application of the principles of it, I think it can solve many of the federal-provincial difficulties.

I give Rt. hon. Mr. St. Laurent, the Prime Minister of Canada, all due credit for that. I have said, in this House and elsewhere, that I have a great deal of regard and respect for Rt. hon. Mr. St. Laurent. By the proper application of his formula—which would be a courageous act on the part of the Rt.

hon. Prime Minister—the federal-provincial difficulties could be solved in this country, and if they are not solved now, they will be in the course of 4 or 5 years, and I think it is a great mistake on the part of the federal government not to recognize that.

What is the situation? We have proposed a formula on a 15 per cent., 15 per cent. and 50 per cent. basis, which, taking the average of the 4 highest-cost provinces, would give all the provinces more money; it would give the province of Ontario the \$100 million it needs, and would give the province of Quebec more money than it will receive under the present arrangement, even with the present equalizing payments.

Furthermore, I want to straighten out the hon. leader of the Opposition on this by saying these payments would be made, not by the federal government—the hon. leader of the Opposition should get that out of his mind—but would be made from what is collected and raised by the province of Ontario in the fields of taxation which belong to our province. We have an equal right in those fields, and, using a description which has been given before, the situation is much like this; that if a flood occurs, or an event such as the last war, you might take some people into your house, and say, “Use my house,” but later when you want your house back, they tell you you can live in the back bedroom.

That is about the present situation. That is what they have tried to do to us in regard to these fields in which we have equal rights by the Constitution, and say: “We will not do any more than just move over to 9 per cent. and 10 per cent. and 50 per cent.”

What is the picture? Here is an unrealistic position. Instead of saying, “Let us make a deal; let us do what is fair with these provinces; let us allow the province of Ontario to make decent arrangements with Metropolitan Toronto, the city of Sarnia, and the other municipalities, to help them to bear the industrial load”; and say to the Maritimes, “You people never received a

square deal; we will give you one." Would it not seem proper if he said, "We will not take the old province of British Columbia—which is a great earning province—and press it to a point where they have been existing—and merely existing—for the past number of years."

I ask the hon. members of the House—and particularly the newer hopeful young members of the Opposition—to bear that in mind. What is the situation? What is going to happen? I would not presume to suggest what the government of the province of Quebec might do, any more than the hon. Prime Minister of the province of Quebec would presume to suggest what we should do here.

But Quebec has its own 15 per cent. tax system, and I think the probability is it will not vacate that position, which they adopted with a great deal of courage, and they deserve a great deal of credit for doing it.

In this province, we have an immense tax-collection problem. We have 1.5 million taxpayers, and if we should enter into an agreement—and I ask the hon. leader of the Opposition to note this hypothetical statement—we would enter into a tax agreement which would mean a 10 per cent. differential between Ontario and Quebec.

That would not be good business for Canada, nor for Ontario. It is a thoroughly unsound arrangement. If you do not think so, talk to the railroaders, and to the people of the province of Ontario.

What will happen on the other side? By this arrangement, Ottawa says to Quebec, "You need \$45 million; we will give you about that amount every year." It says to Ontario—no doubt being "fed up" with the talk of some well-meaning agencies, such as the Opposition here, the hon. leader of the Opposition, who always seems to undermine the position of this province tax-wise, and the position taken by the *Toronto Star*, which has considerable influence down there—it says to Ontario, "It is your problem in Metropolitan Toronto, in Lindsay,

Sarnia, Wiarton and London; you deserve nothing, and you get nothing."

Mr. Speaker, what will we have to do? Are we going to have to levy a tax at about the national level? I want that statement to sink in to the mind of the hon. member for Waterloo North (Mr. Wintermeyer), because it is a matter which very probably will have to be considered in the next 2 or 3 months. May I say to the hon. member that it is one thing to be asked to do something, but it is another thing to be forced by one, who should be your partner, into an unsound and unfair position.

We would be forced, on that basis, to impose an additional corporation tax. What then would be the effect? I should think—and I am again viewing this matter as I see it through my eyes—probably it will not be necessary for the province of Quebec, with a large subvention, to levy additional taxes, and so Ontario will have a higher corporation tax.

So what have you, Mr. Speaker, from this unsound application of a great principle? Quebec would have a higher personal income tax than the province of Ontario, in all probability. I could be wrong, but that is the way it would appear. On the other hand, Ontario is going to have a higher corporation tax than our partner province.

Can there be any sense to such an arrangement as that? None whatever, Mr. Speaker. The thing is basically unsound, it is going to operate against the prosperity of this country, it is going to operate against the old partnership which has always existed between the province of Quebec and ourselves.

When I say to hon. members opposite that 5 years could bring economic disaster to this country with such crass policies, why is that an exaggeration? If they do not believe it, over the Easter weekend, let them board a plane and go down and talk to the hon. Prime Minister of New Brunswick and the hon. Prime Minister of Nova Scotia.

Let me say to the hon. leader of the CCF Party, "go back to your native province and ask the Premier of that

great province what his position is going to be." Then look at the financial chaos which is going to occur in this great industrial heart of Canada, in Ontario and Quebec, where we are going to have uneven taxes. Common sense and justice calls for a 15 per cent., a 15 per cent., and a 50 per cent. formula, and it would solve those difficulties and would place these provinces in the position where they could do the job they have to do in a prosperous and an increasingly-developing Canada.

I see the hon. leader of the Opposition now is buried in manuscripts and formulae over there. I am sure he must agree with the wisdom of those statements. I am not at all interested in fighting with the government at Ottawa, nor with any other government. I am interested in the affairs of Ontario. If I have to fight with anybody, I want to fight with the Opposition here. I am not looking for new worlds to conquer, nor other people with whom to fight. I like to get along with people, and it is up to the people of Canada, in the various provinces, to elect their own governments, and I am prepared to do business with them as fellow Canadians.

I think perhaps that will disabuse the mind of the hon. leader of the Opposition that I have any deep plot to fight against this interest or that interest outside the province of Ontario. I assure him—as I have done on many occasions and I wish this time he would accept it—that I have only one interest to serve, and that is the 5.25 million people of our great old province of Ontario.

Time is going by, Mr. Speaker, I did not intend to say all these things, but the hon. leader of the Opposition always provokes me into making a speech.

MR. D. MACDONALD (York South): Take time enough to tell us where you are going on the hospital plan.

HON. MR. FROST: Hon. members opposite are always jumping around to find out what I am going to do, and what this government is going to do,

and when they find out, they are sorry about it.

MR. MacDONALD: I have never been sorry yet.

HON. MR. FROST: Then the hon. member for York South must have a hide as thick as that of a rhinoceros, if he does not feel sorry when he looks around him. I listened to the plea of the hon. leader of the Opposition in connection with hospital insurance. I have eliminated all of those words about "darkest chapter," "camouflage," "misrepresentation," and "deliberate distortion."

MR. OLIVER: Oh, no, I did not use that one.

HON. MR. FROST: You did not?

MR. OLIVER: No, that is not mine. I believe it was the hon. member for Oshawa.

MR. T. D. THOMAS (Oshawa): No, I did not say that at all.

HON. MR. FROST: I am sorry. If the hon. leader of the Opposition did not say "distortion" I will see what he said. I assure him that I often think it would be a great thing to move the "government benches" and that of the hon. leader of the Opposition to the back row where we would have a better chance to hear, and could see better. I have often thought it would be a good thing for the democratic spirit which pervades this House and this government, if we did that, provided, of course, that it did not represent some violation of the Canadian constitution.

I listened to the hon. leader of the Opposition, and what he said reminded me that he has attended various committee meetings, and there listened to very able men who gave him all the benefits of their studies. It reminds me of a court case in which my brother and I were once engaged in the city of Peterborough, many years ago.

It was a murder trial. At one time I used to take part in court proceedings and trials, and on occasions I thought I was not a half bad lawyer. Since that

time I have forgotten a great many of the skills of those days.

At the termination of that murder trial, the accused person was acquitted, fortunately for him, and afterwards there was discussion of the case by members of the jury, who were very much interested in it. This, of course, was after the jury had been discharged.

This was 35 years ago, and in Peterborough and Lindsay, things are a little different than they are in this neighbourhood. One of the jurors, who, by the way, I had the opportunity of meeting just the other day, at the conclusion of the trial which took place in 1924, said to us—and this is the way they talk to you in the country: “Now, boys, you put up a good case,” and he went on to say that they had listened and had discussed this murder case, in which they had let the man off, and he said not only did they let him off but one of the conclusions they arrived at was that the man in the courtroom who knew the least about the case was the judge. That was their decision.

After listening to the hon. leader of the Opposition this afternoon, I have come to the conclusion, with respect to the problem of hospital insurance, of all hon. members in this House, the hon. leader of the Opposition knows the very least.

MR. OLIVER: We will argue that out some day.

HON. MR. FROST: Those around him are showing some of the same propensities, whether or not it is intentional or whether it is an inability to grasp the fundamentals of this great problem. I do not write them all off, I think the hon. member for Waterloo North, if he can extricate himself from the political atmosphere long enough, is capable of understanding the fundamentals of the problem.

May I say this just briefly, on March 23 last, just one year ago, I made the following statement in this House, right from this place. I said:

I believe the figures we have are very modest, the total cost of hospital care would be \$112 million.

MR. T. D. THOMAS (Oshawa): The hon. Prime Minister denied that he said that the other week.

HON. MR. FROST: Just a moment, quiet, please.

MR. THOMAS (Oshawa): You did.

MR. MacDONALD: The hon. Prime Minister did deny it.

HON. MR. FROST: Just wait until I read it.

I believe the figures we have are very modest, the total cost of hospital care would be \$12 million. We project that on the cost of one of the provinces, Saskatchewan.

Now, do hon. members opposite “get” that?

MR. THOMAS (Oshawa): I “get” it.

HON. MR. FROST: Then compose yourselves. At that time the hon. member for Oshawa and many of the other hon. members opposite immediately rushed out and said, “That is a distortion, that is a distortion.” They did not say it was a “deliberate distortion”, but the inference might have been that it was. Then my old friend, The *Toronto Star*, which I always read carefully—I read all the *Toronto* newspapers but I almost always read The *Toronto Star* just before I go to sleep, because it produces a feeling of calm and humour, which is a good thing at that time of day—said that this was a “gross exaggeration.”

When I say “gross”, perhaps I should not use that word, because I do not think they indulged in any extravagant language, but they did use literary powers to very good effect, to show it really was not sound, but it was an exaggeration of the situation.

In the meantime, studies have been made. The hon. member of Oshawa jumped into that one the other day head over heels. I am always throwing life preservers to Opposition members to pull them out when they go "off the deep end." I threw the hon. member for Oshawa a life preserver at that time, but he went down twice before he grasped it.

MR. THOMAS (Oshawa): The hon. Prime Minister threw another one a week later when he raised it up.

MR. SPEAKER: Order.

HON. MR. FROST: We have had studies made by very, very able and conscientious men who are doing just the same as my colleagues and I are doing, trying to find a solution.

MR. MacDONALD: We found it. Where are you going now?

MR. J. A. MALONEY (Renfrew South): The hon. member for York South could not find anything.

HON. MR. FROST: That is what we are endeavouring to do. The hon. member for Oshawa rushed in and said that this was a distortion—was that the word?

MR. THOMAS (Oshawa): An "overestimate."

HON. MR. FROST: An "overestimate"?

MR. THOMAS (Oshawa): Yes, that is what it was.

HON. MR. FROST: In its latest revised form, he says it is an "overestimate." Mr. Speaker, I did what I promised I would do yesterday morning, I asked the experts, Mr. Ogilvie, and Mr. Martin, of the Blue Cross, and Dr. Malcolm Taylor, whose book has been given the hon. members of the House, and who is a leading authority on the subject—to pass upon it, and their statement was that the figures for

1956, \$190 million, are very factual. It includes some \$4 million for depreciation.

So, for goodness' sake, if the premiums are not going to pay for depreciation, who is going to pay for it? Where is the money going to come from? It has to come from government somewhere, either in the form of premiums or in the form of taxes. Of course, it has.

Who is going to pay the cost of administration? Doctor Taylor said that \$7.5 million might be on the high side, but on the other hand, those experts took it as a fair and reasonable sum upon which to base their judgment. The figures are not mine, Mr. Speaker, they are their figures.

This figure of \$190 million increases to \$298.5 million by 1960. That is only 4 years, Mr. Speaker; let us look back to 1952, that is a period of 4 years, and then look ahead to 1960. In 4 years they estimate that the \$190 million costs will be \$298 million.

A year ago, Mr. Speaker, hon. members opposite talked about "exaggeration" and "distortion." I and my colleagues in the government have brought before this House, experts who have gone into the subject.

MR. MacDONALD: The hon. Prime Minister is distorting it again.

HON. MR. FROST: May I point out, Mr. Speaker—and I referred to this before—I am not dismayed by the fact that the truth may appear so to him. If we are going to meet the matter, may I point out that it is the truth, and an actual appraisal of the situation that will enable us to do it. May I say to my old friend, certainly not a political friend, the *Toronto Star*, I recognize that they are sincere in their desire to have hospital insurance, but I point out also that if they want hospital insurance, let us get to basic facts, let us get together.

MR. MacDONALD: We have that, where are we going now?

HON. MR. FROST: The truth never destroys anything, but makes it more possible to meet the situation.

I referred to these matters previously in committee. We mentioned "increased costs"; they are going to occur, and I would ask the hon. leader of the Opposition—who closes his eyes in contemplation—to remember that in the province of Saskatchewan, in 1947, it started at \$5 per person, \$30 for a family; in 1949, it was \$10 for an adult, \$5 for children, and \$30 for a family; in 1954, it rose to \$15 for an adult, \$5 for children, and \$40 for a family. The province, in 1947, raised \$3.6 million in premiums—

MR. MacDONALD: They did it alone.

HON. MR. FROST: Never mind; let the hon. member just listen to me. It raised \$3.9 million in revenues, making a total of \$7.5 million.

In 1954, the premium had risen, with the same population, because, in 1957, Saskatchewan's population was 836,000 people; in 1954, it was 878,000—

MR. MacDONALD: The premium raise had nothing to do with it.

MR. SPEAKER: Order.

HON. MR. FROST: Just a moment. The population is now about the same, but the premiums have increased from \$3.6 million to \$8.2 million, and the revenues from taxes rose from \$3.9 million to \$10.52 million.

MR. MacDONALD: It fulfilled its election promises in one year; it has taken this government 13 years, and it has not done anything.

MR. SPEAKER: Order.

HON. MR. FROST: They had to increase taxes to meet the situation. I have nothing but praise for the people of Saskatchewan. I have great admiration for what they have done; I am not criticizing what they have done, but I would ask the hon. members opposite

to apply the same escalator of costs, 2.5 times in 7 years, to the problem here.

I imagine the hon. members opposite are sensible men, when they are taken out of the feverish political environment in which they are situated today, and become what the law defines as "reasonable men." Let them remember they are citizens of Canada, and let them profit from the experiences which have arisen elsewhere. I think the hon. members opposite will agree that is a good plan, because they are sensible people. And I ask them to take this escalator in Saskatchewan—

MR. MacDONALD: Is the hon. Prime Minister arguing again?

MR. SPEAKER: Order.

HON. MR. FROST: No, Mr. Speaker, I will tell the hon. members in a moment about this. Let the hon. members take the escalator in Saskatchewan and apply it, multiplied 2.5 times, to the problem in Ontario where the initial cost would be \$190 million. I say to the hon. member for York South, get a pencil and figure it out—

MR. MacDONALD: I have figured it out, and the hon. Prime Minister is distorting it.

MR. SPEAKER: Order.

MR. MacDONALD: About the \$190 million—

MR. SPEAKER: Order.

HON. MR. FROST: May I say these figures were arrived at by the experts, whom the hon. member suggests were guilty of exaggeration, because nobody else could be right but themselves—

MR. THOMAS (Oshawa): They admitted the figures were too high, Mr. Speaker.

HON. MR. FROST: It was increased from \$190 million to \$290 million, which is an increase of about 50 per cent. In Saskatchewan, it increased 2.5 times—

MR. MacDONALD: But they did the job.

MR. SPEAKER: Order.

MR. THOMAS (Oshawa): Let us be fair.

MR. SPEAKER: Order.

MR. MacDONALD: The hon. Prime Minister is distorting this again.

MR. SPEAKER: Order.

HON. MR. FROST: I will ask the hon. member out for dinner some evening, and will really talk to him.

MR. MacDONALD: Maybe I will find out what the government is going to do.

MR. SPEAKER: Order.

HON. MR. DUNBAR: Mr. Speaker, let the hon. member for York South put a little oil on his whistle.

HON. MR. FROST: Experience shows that in British Columbia—and the hon. member for York South likes to throw stones at the province of British Columbia, as they have a Social Credit government there, but they are very decent people also.

MR. MacDONALD: Do not draw these invidious comparisons.

HON. MR. FROST: From 1949 to 1955, British Columbia increased its costs, it was not 2.5 times, but twice.

MR. MacDONALD: That was mismanaged.

MR. SPEAKER: Order.

HON. MR. FROST: Would the hon. member take \$190 million, and multiply it by 2; that would amount to \$380 million.

MR. MacDONALD: You are exaggerating the picture again.

MR. SPEAKER: Order.

HON. MR. FROST: The experts, who are not given to exaggeration, fixed the amount at \$298 million. I would say to the hon. members opposite, forget your politics—

MR. MacDONALD: Get the plan into effect, you have all the facts; put the plan into effect.

MR. SPEAKER: Order.

HON. MR. FROST: —and the hon. members will arrive at a better conclusion. I want to say to the hon. members opposite, if they stay where they are in their thinking, they will stay right over there with perhaps a lesser number of members than they have now.

MR. MacDONALD: Do not get angry again.

MR. SPEAKER: Order.

HON. MR. FROST: May I say to the hon. member that I read an article in *Maclean's* written by Blair Fraser the other day, in which he said the federal formula, in connection with hospital insurance, had not been disputed by any of the provinces. I will ask Mr. Fraser to either write to me or come and see me, and I will tell him the facts. Or I will send him a copy of *Hansard*, if they get it down right; sometimes they do not.

I will ask the thoughtful hon. members—if there are thoughtful members opposite—to take this home with them over the weekend, and read it and they will find that, by the federal formula, the highest-cost areas receive the lowest percentage. I think it is amply demonstrated that our costs are going to rise, from at least \$190 million to \$290 million, or perhaps \$298 million. If the experience in Saskatchewan is followed, the \$190 million should be multiplied by 2.5, and if the experience in British Columbia is followed, it will be multiplied by 2, but it will rise.

MR. MacDONALD: What does the hon. Prime Minister mean by “receiving less percentage?” Professor Taylor said exactly the opposite.

MR. SPEAKER: Order.

HON. MR. FROST: I would ask the hon. leader of the Opposition to think about the position of the people of Ontario, more than about the federal government, which he defends so often in this House. That is meant for the hon. leader of the Opposition.

MR. OLIVER: Thank you very much, Mr. Prime Minister.

MR. SPEAKER: Order.

HON. MR. FROST: May I say to the hon. leader of the Opposition the federal formula provides that the more the costs rise, the less percentage there will be.

MR. MacDONALD: Professor Taylor said the opposite.

MR. SPEAKER: Order.

HON. MR. FROST: Nonsense! Prof. Taylor and Mr. Gathercole stated the facts, if you had eyes to see, and the mind to understand them. I suggest to the hon. members opposite they think these things over very carefully. In the federal formula, the federal contribution has been reduced from the 60 per cent., about which the optimistic hon. members opposite talk, and which I think should be larger—down to 30 per cent., at the present time.

And I say that with these rising costs I have mentioned, the federal contribution has been reduced to as low as 25 per cent. or 30 per cent. in some places, and the taxpayers of this province are going to be left "holding the bag." That is, if the hon. members opposite have anything to say about it.

MR. MacDONALD: You still have not told us what this government is going to do.

MR. SPEAKER: Order.

HON. MR. FROST: I am sure the people of Ontario must be very happy

in the knowledge that the hon. members opposite are not representing them, or they would be "sunk."

MR. MacDONALD: Still "stalling."

MR. SPEAKER: Order.

HON. MR. FROST: They are still looking to this government to see them through—

MR. MacDONALD: No action on the hospital plan yet.

MR. SPEAKER: Order.

HON. MR. FROST: Mr. Speaker, I do wish the hon. members opposite would stop talking in their sleep.

MR. MacDONALD: We have been put to sleep.

MR. SPEAKER: Order. I will ask the hon. member for York South to discontinue his interruptions.

HON. MR. FROST: I do not mind these mutterings and murmurings, Mr. Speaker. I want to give the hon. members opposite the opportunity to secure good advice, from the place where good advice can be had, in connection with health and hospital insurance. The experts who appeared before the committee have given them the facts.

MR. MacDONALD: Oh, no, they have not.

MR. SPEAKER: Order.

HON. MR. FROST: But apparently, they do not wish to listen.

MR. SPEAKER: Order.

MR. MacDONALD: We are still waiting for a plan.

MR. SPEAKER: Order.

HON. MR. FROST: Mr. Speaker, may I say that Mr. Swanson, representing the Ontario Hospital Association, filed a brief with the committee. Mr. Swanson is the administrator of the Western Hospital in Toronto, and one

of the most able hospital men in America. He is one whose advice is of very great value. The other day he presented his brief, in which he stated:

We recognize, too, the wisdom of establishing primarily a pattern of enabling legislation which will permit the programme to be inaugurated cautiously, and to expand progressively, as the many details are worked out to bring the programme to the ultimate broad concept which is envisioned.

I presume that has gone over the heads of the Opposition.

MR. MacDONALD: A short time ago, he was opposed, too.

MR. SPEAKER: Order.

HON. MR. FROST: These things have all been considered after discussions with men of experience, who are the best available to advise us.

MR. MacDONALD: That will excuse them for not doing it. Leave it stand until the next election.

MR. SPEAKER: Order.

HON. MR. FROST: May I suggest to the hon. members opposite, that this is my position. I have reduced it to writing, so I will be able to refer to it as time goes by.

In connection with hospital insurance, this is the policy of the government. I have stated to you the magnitude of the problem running from a combined cost and estimated in 1956 of over \$190 million to about \$298 million in 1960. These are figures with which no prudent legislators can trifle.

MR. MacDONALD: Does that refer to new expenditures?

HON. MR. FROST: I was referring to prudent legislators.

MR. MacDONALD: There is no legislation.

MR. SPEAKER: Order.

HON. MR. FROST: The other day one of the hon. members of the House opposite, in an oratorical moment, used the Churchillian expression that he did not intend to preside over the dissolution of the powers of the Legislature to deal with legislative matters. With this I agree, but at the moment I happen to be presiding.

I may say that I do not intend to preside over the dissolution of the fiscal powers of this great province, upon the success of which to a very large extent the future of our country depends.

I refer this House to the wise advice and counsel which was given by Mr. Swanson on behalf of the Ontario Hospital Association. If any man, or any organization, knows the problem to be met, it is Mr. Swanson and the Ontario Hospital Association. Their brief stated:

We recognize, too, the wisdom of establishing primarily a pattern of enabling legislation which will permit the programme to be inaugurated cautiously and expand progressively as the many details are worked out, to bring the programme to the ultimate broad concept which is envisioned.

In my judgment, hospital insurance with its vast magnitude can be inaugurated if done cautiously and carefully.

MR. MacDONALD: It took 18 months in Saskatchewan.

HON. MR. FROST: I have no intention of being pushed into an unsound position or to allow my province, as long as I am its leader, to be pushed into a situation which might undermine its position, and render it unable to give the great services which it must be able to give to our great province and to our great country.

I am talking to prudent legislators. I am of the opinion, and my colleagues are of the opinion, that hospital insurance can be instituted successfully if these principles are observed. I am not at all interested in political credit or political advantage.

MR. MacDONALD: Oh, no?

MR. SPEAKER: Order.

MR. OLIVER: That goes without saying.

HON. MR. FROST: I wish the hon. members would stop groaning over there. It is distressing to me.

MR. MacDONALD: How can the hon. Prime Minister put his tongue in both cheeks at the one time?

HON. MR. FROST: I am not at all interested in political credit or political advantage. I am not at all interested in credit for "carrying the ball" to use an expression used by some of the press. All I am interested in is "carrying the ball" in a way which is in keeping with the great challenges and the great opportunities of our province. Any credit can come from the satisfaction that people may express of a job well done.

I have no intention of plunging in to some scheme of the magnitude of hospital insurance unless I can reasonably see the end result, and so advise the people whom I serve. I am not going to gamble with Ontario's future or with the happiness of her people, nor the greatness of my country. May I say to the hon. members opposite, I have expressed my confidence if this is done with judgment, a full understanding and a full assessment of the problems to be met—

MR. MacDONALD: They have been assessed.

HON. MR. FROST: —and with a soundly-built organization which will meet the required tests which are going to be great, this can be successfully done. That sounds like a big order, but I say to the hon. members opposite they have oftentimes said we do not have any great plans over here, but we shall surprise them, and I warn them to watch out.

MR. MacDONALD: It will be just before the next election.

MR. SPEAKER: Order.

HON. MR. FROST: In conclusion, may I say—

MR. SPEAKER: Order. If the hon. member for York South persists in interrupting, I will have no alternative but to name him.

HON. MR. FROST: May I say to the hon. member for York South that it would grieve me to see him come to any harm.

It is my opinion we must have sensible answers to these great problems with which we are faced today, problems of our municipalities, the health of our people, the welfare of the province and country, and a wise people are going to listen to perfectionists with respect. But I would say that perfectionists, who have no practical experience and are devoid of responsibility, aside from the ideals which, of course, are worthy ideals and should be regarded as such, are very unsafe people with whom to chart a course, which will have to be maintained over the years.

In this country we need reason, good judgment and common sense.

May I be pardoned in closing for referring to one of my Budget speeches. In many of those speeches I collaborated with my old friend, Dr. Chester Walters, who I am sorry is unable to be here today. Seven years ago, on March 4, 1949, I said:

It is well for us to bear in mind that in the great task which lies before us, all cannot be done at once. We cannot obtain everything at the same time. Our problems are many-sided, and we must build and progress with this in mind. It is essential that our growth should be balanced and uniform. Some of us are prone to emphasize one phase more than another. We should remember that all phases are important, and all belong to the same picture.

Experience teaches us that in a sound economy, progress and stability are twin requisites. They are inseparable, each indispensable to the other. As with individuals, so with

governments. It is impossible to attain perfection, or to secure every good thing at one fortunate stroke. Each new day presents a new test. Each new day offers a new opportunity. If we are wise in our decisions, the sum total adds up to progress and stability, to an even development of our economy.

It is also all-important, particularly for governments and legislators, to bear in mind the fact that all moneys raised and expended for public services belong to the people, and that unduly heavy taxation burdens our people, and impedes the sound and balanced development for which we are striving. On the other hand, mere parsimony is not sound economy; indeed, it is often false economy. The truth lies between the two, the attainment of which requires good judgment, wise selection and vision.

In conclusion I am appealing to this House to support this great Budget—the first introduced by the hon. Provincial Treasurer—for there is exhibited in the documents, and in the fiscal management of this great province, those things which are required, good judgment, wise selection and vision. Upon that I rest my case and I ask for the support of this House.

MR. SPEAKER: The amendment is as follows:

THAT the motion "That Mr. Speaker do now leave the chair and the House resolve itself into Committee of Supply" be amended by adding thereto the following words:

But this House regrets that there was no announcement in the Budget address that a select committee of the House would be appointed to examine into and report upon:

(a) The economic survey of the future economic position of the province of Ontario with particular reference to the financial relationship as between the municipalities, the province and the federal government.

(b) The financial relationship that commissions and boards created by this

Legislature should bear to the Provincial Treasury.

(c) The advisability of maintaining the present highway reserve fund.

(d) The most amazing discrepancies between the estimated and actual revenues and expenditures in the last decade.

The motion is on the amendment.

Call in the members.

The House divided:

The amendment was negatived on the following division:

<i>YEAS</i>	<i>NAYS</i>
Gisborn	Allan
Gordon	(Haldimand-Norfolk)
Innes	Auld
MacDonald	Beckett
Manley	Belisle
Nixon	Boyer
Oliver	Brandon
Reaume	Cass
Spence	Cathcart
Thomas	Cecile
(Oshawa)	Chaput
Whicher	Child
Wintermeyer	Collings
Worton	Connell
Wren	Cowling
—14	Daley
	Doucett
	Dunbar
	Dunlop
	Dymond
	Edwards
	Elliott
	Fishleigh
	Foote
	Frost
	(Bracondale)
	Frost
	(Victoria)
	Fullerton
	Goodfellow
	Graham
	Griesinger
	Grossman
	Hall
	Hanna
	Herbert
	Hunt
	Jackson
	Janes

NAYS

Johnston
 (Parry Sound)
 Johnston
 (Simcoe Centre)
 Johnston
 (Carleton)
 Jolley
 Kelly
 Kerr
 Lavergne
 Letherby
 Lewis
 Macaulay
 Mackenzie
 Maloney
 Mapledoram
 Monaghan
 Morin
 Morningstar
 Morrow
 Murdoch
 Myers
 Nickle
 Noden
 Parry
 Patrick
 Phillips
 Porter
 Price
 Pryde
 Rankin
 Robarts
 Roberts
 Robson
 Root
 Sandercock
 Scott
 Spooner
 Stewart
 Sutton
 Thomas
 (Elgin)
 Villeneuve
 Wardrope
 Warrender
 Whitney
 Yaremko
 —79

MR. SPEAKER: I declare the amendment lost.

The vote will be on the main motion.

HON. MR. FROST: The same vote?

MR. OLIVER: Yes, Mr. Speaker.

The House divided.

The amendment was agreed to on the following division:

YEAS

Allan
 (Haldimand-Norfolk)
 Auld
 Beckett
 Belisle
 Boyer
 Brandon
 Cass
 Cathcart
 Cecile
 Chaput
 Child
 Collings
 Connell
 Cowling
 Daley
 Doucett
 Dunbar
 Dunlop
 Dymond
 Edwards
 Elliott
 Fishleigh
 Foote
 Frost
 (Bracondale)
 Frost
 (Victoria)
 Fullerton
 Goodfellow
 Graham
 Griesinger
 Grossman
 Hall
 Hanna
 Herbert
 Hunt
 Jackson
 Janes
 Johnston
 (Parry Sound)
 Johnston
 (Simcoe Centre)
 Johnston
 (Carleton)
 Jolley
 Kelly
 Kerr

NAYS

Gisborn
 Gordon
 Innes
 MacDonald
 Manley
 Nixon
 Oliver
 Reaume
 Spence
 Thomas
 (Oshawa)
 Whicher
 Wintermeyer
 Worton
 Wren
 —14

YEAS

Lavergne
Letherby
Lewis
Macaulay
Mackenzie
Maloney
Mapledoram
Monaghan
Morin
Morningstar
Morrow
Murdoch
Myers
Nickle
Noden
Parry
Patrick
Phillips
Porter
Price
Pryde
Rankin
Robarts
Roberts
Robson
Root
Sandercock
Scott
Spooner

YEAS

Stewart
Sutton
Thomas
 (Elgin)
Villeneuve
Wardrope
Warrender
Whitney
Yaremko
—79

The House, according to order, re-
solved itself into Committee of Supply;
Mr. Edwards in the chair.

ESTIMATES, DEPARTMENT
OF HEALTH (Continued)

Vote 516 agreed to.

Hon. Mr. Frost moves the committee
rise and report a certain resolution.

Motion agreed to.

The House resumes; Mr. Speaker in
the chair.

MR. J. F. EDWARDS (Perth):
Mr. Speaker, the Committee of Supply
begs to report a certain resolution.

Report agreed to.

Clerk of the House: Mr. Speaker, Mr. Edwards, from the Committee of
Supply, reports the following Resolutions:

Resolved, That supply in the following supplementary amounts and to defray
the expenses of the government departments named, be granted to Her Majesty
for the fiscal year ending March 31, 1956:

DEPARTMENT OF AGRICULTURE:	
Main Office	\$ 1,010,000.00
DEPARTMENT OF EDUCATION:	
Special Grants for Capital Purposes	7,440,000.00
Legislative Grants, etc.	150,000.00
Teachers' Superannuation, etc.	1,000,000.00
DEPARTMENT OF HEALTH:	
Epidemiological Branch	955,000.00
Public and Private Hospitals Branch	7,650,000.00
DEPARTMENT OF HIGHWAYS:	
Division Offices	28,500,000.00
DEPARTMENT OF MUNICIPAL AFFAIRS:	
Main Office	100,000.00

TREASURY DEPARTMENT:

Main Office	\$ 1,000,000.00
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—and—

Resolved, That supply in the following amounts and to defray the expenses of the government departments named, be granted to Her Majesty for the fiscal year ending March 31, 1957:

DEPARTMENT OF AGRICULTURE:

Main Office	\$ 512,000.00
Agricultural and Horticultural Societies Branch	967,000.00
Co-operation and Markets Branch	106,200.00
Dairy Branch	396,500.00
Extension Branch	1,693,900.00
Farm Economics Branch	129,600.00
Farm Labour Service Branch	30,000.00
Field Crops Branch	178,800.00
Fruit Branch	373,200.00
Live Stock Branch	790,000.00
Statistics and Publications Branch	90,600.00
Demonstration Farm, New Liskeard	30,600.00
Horticultural Experiment Station, Vineland	265,700.00
Kemptville Agricultural School	323,300.00
Ontario Agricultural College, Guelph	3,449,000.00
Macdonald Institute, Guelph	194,000.00
Ontario Veterinary College, Guelph	951,600.00
Western Ontario Agricultural School and Experimental Farm, Ridgetown	208,000.00
Main Office	450,000.00

DEPARTMENT OF ATTORNEY-GENERAL:

Main Office	632,000.00
Legislative Counsel	43,000.00
Registrar of Regulations	19,000.00
Supreme Court of Ontario	257,000.00
Supreme Court Reporters	129,000.00
Master of Titles	136,000.00
Criminal Justice Accounts	2,804,000.00
Public Trustee	551,000.00
Official Guardian	237,000.00
Accountant—Supreme Court of Ontario	39,000.00
Fire Marshal	316,000.00
Inspector of Legal Offices	1,631,000.00
Ontario Provincial Police	7,742,000.00
Ontario Securities Commission	195,000.00

DEPARTMENT OF ECONOMICS:

Main Office	230,000.00
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DEPARTMENT OF EDUCATION:

Main Office and General Departmental Expenses	595,500.00
Elementary Education Branch	1,724,000.00
Secondary Education Branch	2,490,900.00
Professional Training Branch	1,641,700.00

Special Services	\$ 1,291,500.00
Departmental Examinations	583,000.00
Public Libraries Branch	82,400.00
Legislative Library	38,400.00
Public Records and Archives	44,000.00
Text-Books Branch	14,700.00
Ontario School for the Blind	313,500.00
Ontario School for the Deaf	559,800.00
Scholarships, Bursaries, etc.	435,000.00
Legislative Grants, etc.	84,285,000.00
Miscellaneous Grants	219,100.00
Grants to Provincial and Other Universities, etc.....	8,214,000.00
Teachers' Superannuation, etc.	4,500.00

DEPARTMENT OF HEALTH :

Main Office	2,908,700.00
Branches :	
Health Units	726,400.00
Public Health Nursing	56,300.00
Maternal and Child Hygiene	445,100.00
Dental Service	60,400.00
Nursing	184,800.00
Epidemiological	1,335,800.00
Venereal Diseases Control	67,200.00
Tuberculosis Prevention	7,007,700.00
Industrial Hygiene	370,600.00
Sanitary Engineering	283,700.00
Laboratory Branch	1,362,300.00
Associated Laboratories	81,000.00
Hospital Services Commission of Ontario	150,000.00
Public and Private Hospitals	15,913,800.00
Mental Health—General Expenses	1,139,200.00
—Ontario Hospitals	25,717,000.00

DEPARTMENT OF HIGHWAYS :

Main Office	3,077,500.00
Maintenance—King's Highways and Other Roads.....	82,952,000.00
Motor Vehicles Branch	2,126,500.00
Construction and other Capital Projects	76,235,000.00
Motor Vehicles Branch	200,000.00

DEPARTMENT OF INSURANCE :

Main Office	276,000.00
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DEPARTMENT OF LABOUR :

Main Office	482,000.00
Industry and Labour Board	244,000.00
Apprenticeship Branch	504,000.00
Boiler Inspection Branch	212,000.00
Factory Inspection Branch	57,300.00
Board of Examiners of Operating Engineers	63,500.00
Minimum Wage Branch	16,900.00
Composite Inspection Branch	324,000.00
Labour Relations Board	125,000.00

Office of Athletics Commissioner	\$ 32,300.00
Elevator Inspection Branch	91,000.00
Industry and Labour Board	9,500,000.00

DEPARTMENT OF LANDS AND FORESTS:

Main Office	1,925,400.00
Surveys Branch	228,000.00
Basic Organizations—District Offices	11,130,000.00
Extra Fire Fighting	800,000.00
Public Information and Education re (1) Fire Prevention, (2) Fish and Wildlife, (3) Reforestation, and (4) Timber Management	108,000.00
Air Service Branch	1,102,000.00
Grants	19,600.00
Wolf Bounty	60,000.00
Bear Bounty	12,000.00
Timber Management Branch	388,000.00

OFFICE OF LIEUTENANT-GOVERNOR:

Office of Lieutenant-Governor	20,000.00
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DEPARTMENT OF MINES:

Main Office	422,000.00
Branches:	
Geological	280,000.00
Mines Inspection	164,000.00
Laboratories	182,000.00
Sulphur Fumes Arbitrator	18,000.00
Mining Lands	271,000.00
Main Office	1,000,000.00

DEPARTMENT OF MUNICIPAL AFFAIRS:

Main Office	3,349,000.00
Main Office	250,000.00

DEPARTMENT OF PLANNING AND DEVELOPMENT:

Main Office	157,500.00
Civil Defence Branch	310,000.00
Community Planning Branch	287,000.00
Conservation Branch	477,000.00
Ontario House	220,000.00
Trade and Industry Branch	802,500.00
Community Planning Branch	500,000.00
Conservation Branch	4,210,000.00
Ontario—St. Lawrence Development Commission	1,500,000.00

DEPARTMENT OF PRIME MINISTER:

Main Office	58,500.00
Cabinet Office	53,500.00

OFFICE OF PROVINCIAL AUDITOR:

Office of Provincial Auditor	335,500.00
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DEPARTMENT OF PROVINCIAL SECRETARY:

Main Office	\$ 437,600.00
Office of The Speaker	26,200.00
Clerk of The Legislative Assembly and Chief Election Officer	60,500.00
Queen's Printer	149,900.00
Registrar-General's Branch	571,000.00
Sessional Requirements	574,700.00
Miscellaneous Requirements	16,000.00
Civil Service Commission	142,700.00
Public Service Superannuation Fund	47,400.00

DEPARTMENT OF PUBLIC WELFARE:

Main Office	553,000.00
Branches:	
Child Welfare	2,733,000.00
Day Nurseries	253,000.00
Mothers' Allowances	7,352,000.00
Old Age Assistance	6,799,000.00
Field Services	684,000.00
Homes for the Aged	1,513,000.00
Disabled Persons' Allowances and Rehabilitation Services	2,255,000.00
Old Age Assistance Branch	5,666,000.00
Disabled Persons' Allowances and Rehabilitation Services...	2,056,000.00

DEPARTMENT OF PUBLIC WORKS:

Main Office	1,165,200.00
General Superintendence	255,000.00
Lieutenant-Governor's Apartment	7,800.00
Legislative and Departmental Buildings	2,905,000.00
Osgoode Hall and Ontario Government Office Building.....	340,000.00
Government Buildings	1,450,000.00
Ontario Government Branch Office Buildings	600,000.00
Maintenance of Locks, Bridges, Dams and Docks, etc.	110,000.00
Aid to Drainage	50,000.00
Miscellaneous	245,000.00
Public Buildings	41,000,000.00
Dams, Docks and Drainage Works	520,000.00
Miscellaneous	2,255,000.00

DEPARTMENT OF REFORM INSTITUTIONS:

Main Office	844,000.00
Board of Parole	83,000.00
Institutions (Ontario Reformatories, Industrial Farms and Training Schools)	9,846,000.00

DEPARTMENT OF TRAVEL AND PUBLICITY:

Main Office	112,500.00
Division of Publicity	473,000.00
Development Branch	201,000.00
Information Branch	166,500.00
Photography Branch	41,000.00

TREASURY DEPARTMENT:

Main Office and Public Debt	\$ 487,000.00
Comptroller of Revenue	1,257,000.00
Ontario Racing Commission	188,000.00
Post Office	391,000.00
Tabulating Branch	92,000.00
Theatres Branch	107,500.00
Main Office	4,000,000.00

Resolution concurred in.

Hon. Mr. Porter moves that Mr. Speaker do now leave the chair and the House resolve itself into the Committee of Ways and Means.

Motion agreed to.

House in Committee of Ways and Means; Mr. Edwards in the chair.

Resolved, That there be granted out of the consolidated revenue fund of this province a sum not exceeding \$542,495,000 to meet the supply to that extent granted to Her Majesty.

Resolution agreed to.

Hon Mr. Frost moves the committee rise and report a certain resolution.

Motion agreed to.

The House resumes; Mr. Speaker in the chair.

MR. EDWARDS: Mr. Speaker, the Committee of Ways and Means begs to report it has come to a certain resolution.

Report agreed to.

ACT TO AUTHORIZE RAISING OF MONEY

Hon. Mr. Porter moves first reading of Bill No. 143, intituled, "An Act to authorize the raising of money on the credit of the consolidated revenue fund."

Motion agreed to; first reading of the Bill.

Hon. Mr. Porter moves second reading of Bill No. 143.

Motion agreed to; second reading of the Bill.

Hon. Mr. Porter moves third reading of Bill No. 143.

Motion agreed to; third reading of the Bill.

MR. SPEAKER: Resolved that the Bill do now pass and be intituled as in the motion.

Hon. Mr. Porter moves first reading of Bill intituled, "An Act for granting to Her Majesty certain sums of money for the fiscal year ended March 31, 1956, and March 31, 1957."

Motion agreed to; first reading of the Bill.

Hon. Mr. Porter moves second reading of Bill No. 144.

Motion agreed to; second reading of the Bill.

Hon. Mr. Porter moves third reading of Bill No. 144.

Motion agreed to; third reading of the Bill.

MR. SPEAKER: Resolved that the Bill do now pass and be intituled as in the motion.

THIRD READINGS

Upon motions, the following Bills were read a third time:

Bill No. 104, "An Act to amend The Power Commission Act."

Bill No. 141, "An Act to amend The Legislative Assembly Act."

Bill No. 142, "An Act to repeal the Unwrought Metal Sales Act."

MR. SPEAKER: Resolved that the Bills do now pass, and be intituled as in the motions.

HON. MR. FROST: Mr. Speaker, before I leave to escort His Honour, the Lieutenant-Governor to the Chamber, may I say that I moved Orders for

return in regard to 3 or 4 questions. I also have answers to questions 30 and 36, which I desire to table.

If the hon. leader of the Opposition desires, I have the explanation in regard to question No. 12, to which he referred, and which I am prepared to make, which I think will answer the question.

The question was, in part, "What was the total cost of the investigation in all its phases?" The answer—\$173,998.86—sets out the total out-of-pocket expenses incurred in the highway investigation. As the question specifically referred to cost of the investigation, we did not, of course, include the fees of consultants engaged wholly on the re-organization of the department. The department paid the consultants (J. D. Woods & Gordon) the sum of \$199,606.66, which represents a total of \$373,605.52.

The work of the J. D. Woods & Gordon Company, and the accounts submitted therewith, were carefully analyzed, and we are satisfied that the expenditure is not a portion of "the total cost of the highway investigation in all its phases."

The re-organization of The Department of Highways is a separate and distinct project. Though the bulk of the cost thereof is incurred in the early stages, the project itself is one of continuing application. In fact, the J. D. Woods & Gordon Company are still engaged on certain aspects of this re-organization.

Question No. 9 of the 1955 session asks, in part: "How much has been paid to date to the following in respect to The Department of Highways investigation—(a) Messrs. Clarkson Gordon & Co. (b) J. D. Woods & Gordon Limited (c) C. L. Dubin, Q.C. (d) Each individual lawyer by name (e) Each individual professional engineer by name."

Thus the question itself associated the J. D. Woods & Gordon Company with the investigation. This was quite understandable as the investigation, on which the firm of Clarkson Gordon & Company was engaged, was carried on

simultaneously with the department re-organization. We recognized an association between the two projects, and as the question asked for the amount paid the J. D. Woods & Gordon Company to that date, this information was provided.

However, while accepting a degree of association between the two projects, largely through the fact of their being carried on simultaneously, we could not include the cost of the re-organization in an answer applying only to the cost of the investigation.

The problem arose through the indefiniteness of the question, which our staff has been trying to answer. I will be glad to give the hon. leader of the Opposition any further particulars he may desire.

The Honourable the Lieutenant-Governor entered the Chamber of the Legislative Assembly and took his seat upon the Throne.

MR. SPEAKER: May it please your Honour, the Legislative Assembly of the province has at its present sittings thereof passed several Bills to which, in the name and on behalf of the said Legislative Assembly, I respectfully request Your Honour's assent.

CLERK ASSISTANT: The following are the titles of the Bills to which Your Honour's assent is prayed:

Bill No. 1, An Act respecting the City of Chatham.

Bill No. 2, An Act respecting the Sarnia General Hospital.

Bill No. 3, An Act respecting the Town of Leaside.

Bill No. 4, An Act respecting the Township of Etobicoke.

Bill No. 5, An Act respecting the Township of North York.

Bill No. 6, An Act respecting the Canadian Board of American Missions of the United Lutheran Church in America.

Bill No. 7, An Act respecting the City of Woodstock.

Bill No. 8, An Act respecting the City of Sault Ste. Marie.

Bill No. 9, An Act respecting the City of Peterborough.

Bill No. 10, An Act respecting the Canadian Pacific Railway Company.

Bill No. 11, An Act respecting the Chatham Board of Education and the Chatham Suburban High School District.

Bill No. 12, An Act respecting the Town of Timmins.

Bill No. 13, An Act respecting the City of Niagara Falls.

Bill No. 14, An Act respecting the City of London.

Bill No. 15, An Act respecting Ottawa Community Chests.

Bill No. 16, An Act respecting United Co-operatives of Ontario.

Bill No. 17, An Act respecting the City of Stratford.

Bill No. 18, An Act respecting the Town of Fort Erie.

Bill No. 19, An Act respecting The Board of Education for the City of Hamilton.

Bill No. 20, An Act respecting the City of Ottawa.

Bill No. 21, An Act respecting the Township of Stamford.

Bill No. 22, An Act respecting the City of Port Arthur.

Bill No. 23, An Act respecting the Presbyterian Church in Canada, Synod of Toronto and Kingston.

Bill No. 24, An Act respecting the Society of Interior Decorators of Ontario.

Bill No. 25, An Act respecting the Canadian National Exhibition Association.

Bill No. 26, An Act respecting the City of Toronto.

Bill No. 27, An Act respecting the Beechwood Cemetery Company of the City of Ottawa.

Bill No. 30, An Act respecting the Protestant Home of St. Catharines.

Bill No. 33, An Act respecting the Town of Chelmsford.

Bill No. 34, An Act respecting the Town of Chelmsford (No. 2).

Bill No. 35, An Act respecting the City of Windsor.

Bill No. 36, An Act respecting the City of Hamilton.

Bill No. 37, An Act to incorporate The Metropolitan Toronto Foundation.

Bill No. 38, An Act respecting Assumption College.

Bill No. 39, An Act respecting the County of Renfrew.

Bill No. 40, An Act to repeal The Entry of Horses at Exhibitions Act.

Bill No. 41, An Act to amend The County Court Judges' Criminal Courts Act.

Bill No. 42, An Act to amend The Credit Unions Act, 1953.

Bill No. 43, An Act to amend The Crown Witnesses Act.

Bill No. 44, An Act to amend The Jurors Act.

Bill No. 45, An Act to repeal The Magistrates' Jurisdiction Act.

Bill No. 46, An Act to amend The Insurance Act.

Bill No. 47, An Act to amend The Department of Education Act, 1954.

Bill No. 48, An Act to amend The Secondary Schools and Boards of Education Act, 1954.

Bill No. 49, An Act to amend The Separate Schools Act.

Bill No. 50, An Act to amend The Ontario Highway Transport Board Act, 1955.

Bill No. 51, An Act to amend The Municipal Arbitrations Act.

Bill No. 54, An Act to amend The Provincial Aid to Drainage Act, 1954.

Bill No. 55, An Act to amend The Public Schools Act.

Bill No. 56, An Act to establish the Lakehead College of Arts, Science and Technology.

Bill No. 58, An Act to amend The Conservation Authorities Act.

Bill No. 59, An Act to amend The Territorial Division Act.

Bill No. 60, An Act to amend The Railway Fire Charge Act.

Bill No. 61, An Act to amend The Limited Partnerships Act.

Bill No. 62, An Act to amend The Fire Marshals Act.

Bill No. 63, An Act to amend The Reciprocal Enforcement of Maintenance Orders Act.

Bill No. 64, An Act to amend The Summary Convictions Act.

Bill No. 65, An Act to amend The Land Titles Act.

Bill No. 66, An Act to amend The Conveyancing and Law of Property Act.

Bill No. 67, An Act to repeal The Estates Tail Act.

Bill No. 68, An Act to amend The Fraudulent Conveyances Act.

Bill No. 69, An Act to amend The Limitations Act.

Bill No. 70, An Act to amend An Act respecting Real Property.

Bill No. 71, An Act to amend The Settled Estates Act.

Bill No. 72, An Act to amend The Crown Timber Act, 1952.

Bill No. 73, An Act to amend The Highway Improvement Act.

Bill No. 74, An Act to amend The Mothers' Allowances Act, 1952.

Bill No. 75, An Act to amend The Public Service Act.

Bill No. 76, An Act to amend The Marriage Act.

Bill No. 79, An Act to amend The Archaeological and Historic Sites Protection Act, 1953.

Bill No. 80, An Act to amend The Land Surveyors Act.

Bill No. 81, An Act to amend The Seed Potatoes Act.

Bill No. 82, An Act to amend The Ontario Food Terminal Act.

Bill No. 83, An Act to amend The Farm Products Marketing Act.

Bill No. 84, An Act to amend The Junior Farmer Establishment Act, 1952.

Bill No. 85, The Co-operative Loans Act, 1956.

Bill No. 86, An Act to amend The Public Lands Act.

Bill No. 87, An Act to amend The Provincial Parks Act, 1954.

Bill No. 88, An Act to amend The Assessment Act.

Bill No. 89, An Act to amend The Mining Act.

Bill No. 90, An Act to amend The Mining Act.

Bill No. 91, An Act to facilitate the Introduction into Ontario of Natural Gas from Alberta by means of an All-Canada Pipe Line.

Bill No. 92, An Act to amend The Regulations Act.

Bill No. 93, An Act to amend The Trustee Act.

Bill No. 94, An Act to amend The Securities Act.

Bill No. 95, An Act to regulate the Use of Pesticides.

Bill No. 96, An Act to amend The Sanatoria for Consumptives Act.

Bill No. 97, An Act to amend The Training Schools Act.

Bill No. 98, An Act to establish the Ontario Water Resources Commission.

Bill No. 99, An Act to amend The Fire Departments Act.

Bill No. 100, An Act to amend The Agricultural Societies Act.

Bill No. 101, The Brucellosis Act, 1956.

Bill No. 102, An Act to amend The Homes for the Aged Act, 1955.

Bill No. 103, The Charitable Institutions Act, 1956.

Bill No. 104, An Act to amend The Power Commission Act.

Bill No. 105, An Act to amend The Niagara Development Act, 1951.

Bill No. 106, An Act to amend The St. Lawrence Development Act, 1952 (No. 2).

Bill No. 107, An Act to amend The Municipal Subsidies Adjustment Act, 1953.

Bill No. 108, An Act to amend The Municipality of Metropolitan Toronto Act, 1953.

Bill No. 109, An Act to amend The Game and Fisheries Act.

Bill No. 110, An Act to amend The Labour Relations Act.

Bill No. 111, An Act to amend The Workmen's Compensation Act.

Bill No. 112, An Act to establish the Hospital Services Commission of Ontario.

Bill No. 113, An Act to establish the Ontario Parks Integration Board.

Bill No. 114, An Act to amend The Mining Act.

Bill No. 115, An Act to establish the Department of Economics.

Bill No. 116, An Act to amend The Financial Administration Act, 1954.

Bill No. 117, An Act to amend The Provincial Land Tax Act.

Bill No. 118, An Act to reconstitute the Institute of Chartered Accountants of Ontario.

Bill No. 119, An Act to amend The Medical Act.

Bill No. 120, An Act to amend The Highway Traffic Act.

Bill No. 121, An Act to amend The Ontario Municipal Board Act.

Bill No. 124, An Act to amend The Ontario Fuel Board Act, 1954.

Bill No. 125, An Act to amend The Tile Drainage Act.

Bill No. 126, An Act to impose a Tax on the Purchasers of Fuel, Other than Gasoline, for Use in Motor Vehicles.

Bill No. 127, An Act to amend The Gasoline Tax Act.

Bill No. 128, An Act to amend The Line Fences Act.

Bill No. 129, An Act to annex Burlington Beach to the City of Hamilton.

Bill No. 130, An Act to amend The Municipal Act.

Bill No. 131, An Act to amend The Child Welfare Act, 1954.

Bill No. 132, An Act to amend The Fines and Forfeitures Act.

Bill No. 133, An Act to amend The Police Act.

Bill No. 134, An Act to amend The Child Welfare Act, 1954.

Bill No. 135, An Act to amend The Public Health Act.

Bill No. 136, An Act to amend The Fire Marshals Act.

Bill No. 137, An Act to amend The Liquor Licence Act.

Bill No. 138, An Act to amend The Planning Act, 1955.

Bill No. 139, An Act to amend The Public Commercial Vehicles Act.

Bill No. 140, An Act to amend The Highway Improvement Act.

Bill No. 141, An Act to amend The Legislative Assembly Act.

Bill No. 142, An Act to repeal The Unwrought Metal Sales Act.

Bill No. 143, An Act to authorize the Raising of Money on Credit of the Consolidated Revenue Fund.

THE CLERK: In Her Majesty's name, the Honourable the Lieutenant-Governor doth assent to these Bills.

MR. SPEAKER: May it please Your Honour:

We, Her Majesty's most dutiful and faithful subjects, the Legislative Assembly of the Province of Ontario, in Session assembled, approach Your Honour with sentiments of unfeigned devotion and loyalty to Her Majesty's person and government, and humbly beg to present for Your Honour's acceptance a Bill intituled, "An Act for granting to Her Majesty certain sums of money for the Public Service for the fiscal years ending the 31st day of March, 1956, and the 31st day of March, 1957."

CLERK OF THE HOUSE: The Honourable the Lieutenant-Governor doth thank Her Majesty's dutiful and loyal subjects, accept their benevolence and assent to this Bill in Her Majesty's name.

HON. L. O. BREITHAUPT (Lieutenant-Governor): Mr. Speaker and hon. members of the Legislative Assembly:

In bringing this second session of the Twenty-fifth Parliament of Ontario to

a close, I wish to thank you for your diligent and faithful attention to the affairs of this province. Continuing population growth and industrial expansion have necessitated that you press forward with well-conceived and soundly planned projects conducive to the expansion of enterprise and improvements in well being. Such has been the purpose of the many Legislative enactments and expenditures which you have approved.

You have been mindful of the needs of the municipalities and at this session have approved an increase of over \$21 million, or 13 per cent., in assistance to them, the school boards and other local agencies. You have approved an expanded programme for school and university facilities, hospitals, highways and municipal roads, public buildings, conservation works, water and sewers and other purposes.

In the field of education, the present need for new school facilities will be greatly aided by the assistance you have authorized. You have also taken steps to stimulate an increase in the number of qualified teachers. You have embarked upon an unprecedented programme of university expansion. Assumption University of Windsor has come into this circle. The Lakehead College of Arts, Science and Technology has been established.

You have voted substantially larger monies for agricultural colleges and farm research. The Ontario government's appropriation for highways and municipal roads subsidies totals \$183 million, making possible — with the municipal share of expenditure on local roads — a combined Budget for these purposes of \$233 million.

You have enacted legislation to set up the Ontario water resources commission. This commission, which will follow the pattern established by The Hydro-Electric Power Commission of Ontario, has been given authority to develop water supplies and to build and operate water supply and sewage disposal systems. Funds have been provided to enable it to set up its administrative organization and to make a start

in areas in southern Ontario where water shortages and sewage problems are most pressing and where there are distinct advantages of development on a regional basis.

The hospital services commission has been established to achieve an optimum integration of hospital services in Ontario and to provide the foundation for a hospital insurance programme. Intensive studies have been made of this whole complex and difficult subject. The legislative health committee held sittings at which full details of benefits, costs and implications of alternative plans were reviewed. As very heavy costs are involved in the operation of a hospital insurance system, it is imperative that all avenues be thoroughly explored and that there be the widest possible dissemination of information.

You have also approved a number of important health measures. You have made provision to guard children against the dangers of poliomyelitis by approving the purchase, at a cost of nearly \$1 million, of over 3 1/3 million units of Salk vaccine. The Sanatoria for Consumptives Act has been amended to tighten control over tubercular persons in custody and to permit other than tuberculosis treatment to be carried on in designated sections of a sanatorium.

A number of welfare Bills have been endorsed. You have increased to \$20 per month the supplementary assistance payments to old age pensioners, of which the province's share will be \$12. The Charitable Institutions Act, 1956, provides a general revision of the existing Act. Grants for new construction were increased and a new grant instituted to assist charitable organizations to buy existing buildings.

The maintenance grant per inmate was also increased. An extension of benefits in certain special cases has been permitted under The Mothers' Allowances Act. The province's maximum responsibility for private home care for the aged has been increased.

The orderly development of our provincial parks system has been made possible through legislation to establish the

Ontario parks integration board, which will provide a consolidated management and development programme. Funds have been authorized for carrying out this policy.

You have revised a number of Acts dealing with the municipalities. The Metropolitan Toronto Act was amended to provide an integrated police force for the Metropolitan Area, while provision was made for biennial elections of the municipal councils of all the area municipalities.

A Metropolitan Toronto and region conservation authority has been set up to include the existing conservation authorities in Metropolitan Toronto and the surrounding area. Changes have been made in The Fire Departments Act and The Police Act to facilitate collective bargaining. The Municipal Subsidies Adjustment Act, The Provincial Aid to Drainage Act and The Territorial Division Act have been amended.

In the field of labour, amendments have been made to The Labour Relations Act. Under amendments to The Workmen's Compensation Act, the earnings ceiling on which compensation is calculated has been raised from \$4,000 to \$5,000.

Agriculture has received your attention. The total loans possible under The Junior Farmer Establishment Act were doubled to \$20 million. The Co-operative Loans Act, 1956, sets up the co-operative loans board of Ontario to consider loans to co-operative associations of producers of farm products. The loan ceiling has been raised to \$100,000.

A new Act has been passed to regulate the use of pesticides. The Brucellosis Control Act has been amended to insure better control of this cattle disease. Other legislation has dealt with agricultural societies, seed potatoes and the Ontario Food Terminal. You also voted \$9.2 million for rural hydro power extension during the 1956-57 fiscal year.

You have voted funds for the management and conservation of our forest resources. A special appropriation has been made for the regeneration of white

and red pine and spruce. To strengthen administration, you have passed amendments to The Crown Timber Act, The Public Lands Act and The Game and Fisheries Act.

A number of amendments to The Mining Act have been made, notably one setting up a mining commissioner to replace the mining court. This will facilitate the processing of matters arising from mining claims. The report of the committee of inquiry into the economics of the gold mining industry of Ontario was tabled for your consideration.

During this session, you were presented with reports of recent federal-provincial conferences. These included a review of the proposed new fiscal arrangements between the federal government and the provinces, a comprehensive hospital insurance and diagnostic services plan, and the farm marketing problem.

The federal government's latest proposals for fiscal arrangements were tabled. To deal with these arrangements, a special session of the Legislature will be held later this year. While the Legislature has been in session, the province has arranged a submission to the Supreme Court of Canada on the question of provincial jurisdiction in regard to compulsory farm marketing schemes. Pending a judicial decision from the nation's highest court, intensive studies into various alternatives are continuing, which will be considered in a special session.

Gratitude is expressed to the several committees of the House for their able and conscientious work on a number of complex problems.

Three select committees reported to the House during the session: The Select Committee on the Establishment of a System of Certificates of Title of Ownership of Motor Vehicles; The Select Committee on Toll Roads; and the Select Committee on Air Pollution and Smoke Control. All these committees tabled reports containing recommendations which will be given intensive study and consideration. The Select Committees on Toll Roads and Air Pollution

and Smoke Control have been reconstituted.

To make available a new source of fuel and power for Ontario's growing industry and population, legislation has been passed authorizing the province to loan up to \$35 million to a Crown corporation in order to facilitate the construction of a natural gas pipe line across northern Ontario.

During the session you also approved the setting up of The Department of Economics.

You also approved the reorganization of the archaeological and historic sites advisory board which seeks to foster greater knowledge of the province's storied past through a better marking of historic sites and events.

Amendments have been made to The Financial Administration Act, The Ontario Fuel Board Act, The County Court Judges' Criminal Courts Act, The Crown Witnesses Act, The Jurors Act and The Summary Convictions Act. The legal framework for the improved administration of The Land Titles Act has been provided. Amendments have been made to The Conveyancing and Law of Property Act, The Limitations Act, The Settled Estates Act, an Act respecting Real Property and The Fraudulent Conveyances Act, while The Estates Tail Act was repealed.

An Act was passed providing for the separate taxation of diesel fuel used in motor vehicles.

A measure instituting full-time membership on the Ontario highway transport board has been approved, while other amendments have been made to The Highway Improvement Act, The Land Surveyors Act, The Regulations Act, The Training Schools Act, The Trustee Act, The Railway Fire Charge Act, The Limited Partnerships Act and The Fire Marshals Act.

Extensive amendments have been made to The Securities Act, while parts of The Insurance Act dealing with fire insurance, and with accident and sickness insurance, have been revised. The Credit Unions Act was also amended.

You have also approved amendments to strengthen The Public Schools Act, The Secondary Schools and Boards of Education Act, The Department of Education Act and The Separate Schools Act.

In addition to the salary increments which are paid to members of the civil service annually in cases of meritorious service, the salary ratings of many civil servants, particularly in the junior grades, are being increased. Moreover, an amendment to The Public Service Act will enable casual employees, upon their appointment to the permanent staff and payment of contributions, to become eligible under the pension fund for the full time they were employed as casual workers. The Legislative Assembly Act has been amended to bring the provisions for indemnities into line with those provided elsewhere.

I wish to thank the hon. members for their earnest consideration of all these measures, and for the financial provision that has been made to meet the government's requirements in the coming fiscal year. It is a source of gratification that in the face of the inexorable increases in expenditures for education, hospitals, public welfare, highways, municipal thoroughfares and provincial and municipal services of all kinds, the fiscal position of the province has remained strong.

However, the demands for essential services are out-pacing our revenues, and the situation calls for the most careful husbanding of our financial resources, both on the part of the province and the municipalities. It cannot be overlooked that an amount equivalent to over 40 per cent. of the province's net ordinary revenue is being paid to the municipalities, the school boards and other local agencies. Nevertheless, municipal tax rates are also rising. It is unfortunate that the province's negotiations with the federal government on fiscal arrangements have been disappointing.

Owing to the conservation of our credit in past years, Ontario's bonds continue to be held in high regard by

the investing public. Thus, we are able to finance our large-scale obligations at low rates of interest. This position must be maintained, and our efforts will be devoted to that end. In spite of our problems, the Ontario economy continues to forge ahead in economic development. Our total provincial product last year—the end value of all goods and services produced—rose by 10 per cent. Business is buoyant and employment continues on a high level.

In proroguing this session, I pray that Divine Providence will bless this

province and promote the well being of the whole nation.

HON. G. H. DUNBAR (Provincial Secretary) : Mr. Speaker, and members of the Legislative Assembly: it is the will and pleasure of the Honourable the Lieutenant-Governor that this Legislative Assembly be prorogued, and this Legislative Assembly is, accordingly, prorogued.

The House prorogued at 6:20 of the clock p.m.

FIFTH ERRATA

(March 22nd-26th, inclusive)

<i>Page</i>	<i>Column</i>	<i>Line</i>	<i>Correction</i>
1402	1	33	Delete "in".
1402	1	39	Insert "3" before "cenotaph" and add "s" to "cenotaph".
1515	2	24ff	Insert "Hon. Mr. Frost moves second reading of Bill No. 112, 'An Act to Establish the Hospital Services Commission of Ontario'."

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